

Licensing Committee

Hackney Carriage Fare Review 2024

4 January 2024

Report of Licensing Manager

PURPOSE OF REPORT

This report is to update members on proposals to introduce a new fare tariff in relation to licensed hackney carriages operating in the Lancaster district.

Members of the Licensing Committee are required to refer their findings for decision to the next Cabinet meeting.

This report is public

RECOMMENDATIONS

- (1) It is recommended that members consider proposals in relation to a new fare tariff for hackney carriages operating in the Lancaster district, and;
- (2) Refer their findings to the next Cabinet meeting for approval.

1.0 Introduction

- 1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 makes provision for the Council to fix the rates of fares within the district for time, distance and all other charges in connection with the hire of a hackney carriage. The table of fares is attached to the inside of a hackney carriage; this allows members of the public to view all charges when hiring a vehicle.
- 1.2 The current table of fares took effect on 19th April 2023 and is attached at **Appendix 1**.
- 1.3 The setting of fares is an Executive function as it is not one that is listed in the Local Authorities (Function and Responsibilities) (England) Regulations 2000 and therefore falls to the Cabinet to make the decision. In its capacity as an advisory Committee to Cabinet, the Licensing Committee are required to refer any decision to Cabinet for approval.

2.0 Background

- 2.1 The current hackney carriage table of fares, the frequency of tariff reviews and method for fare setting in future years was approved by the Councils Cabinet on 12th April 2022. This was following a period of engagement and consultation with the licensed trade.
- 2.2 It was approved that, retail price index (RPI) would be applied annually across the tariff, including flag fall and rolling rate, rounding down to the nearest 5p. The statutory requirement for advertisement and consultation would then follow before an updated table of fares would be published, with an updated table of fares coming into effect on a specified date.

3.0 Current Position

- 3.1 The retail price index for November 2023 was 6.1%, this has been applied across the tariff as approved by Cabinet. The table of fares reflecting those updates is attached at **Appendix 2**.

If members are minded to amend the table of fares they may wish to consider soiling charges as applying RPI to this charge was not included in the approved methodology. The soiling charge is a maximum charge vehicle proprietors can charge members of the public should they soil the vehicle. It should represent to cost of cleaning the vehicle and/or loss of earnings for the time taken to ensure the vehicle is roadworthy.

It remained, as it has done for many years at £100 (maximum).

4.0 Options and Options Analysis (including risk assessment)

- 4.1 The options available to members are listed in the table, along with the advantages/disadvantages and risks associated with each option.

	Option 1: Maintain current table of fares implemented in April 2023.	Option 2: Apply retail price index (RPI) across the tariff. (6.1%)	Option 3: Deregulate fare setting	Option 4: In addition to option 1 or 2, apply an additional charge for fares taken after a set time. Eg 20.00, 21.00 or 22.00.
Advantages	Public are aware of expected fares when hiring a hackney carriage.	Drivers income is increased in line with rising cost of living The licensed profession may	Allows licensed trade to calculate their own fares, they may be best placed to	It would encourage more drivers to work in the evening when there are limited

		be perceived as a career option for local people.	calculate costs.	vehicles available. Regular daytime users of licensed vehicles will not be affected by the introduction of a the charge. The council is responding to local pubwatch and business improvement district requests for assistance with the recruitment and availability of licensed vehicles in the night time economy.
Disadvantages	The current table of fares may not represent current cost of living.	A further increase in quick succession is laborious procedurally and in terms of administration, as one update takes effect, it is time to calculate further change. Annual cost of calibration to drivers. *Members are asked to consider the frequency of fare reviews.	Licensing Authority has no control on charges passed to the public. May create confusion as fares could vary across the trade.	It may have a negative reaction, resulting in the public using licensed vehicles less.

Risks	<p>Not consistently applying the methodology approved by Cabinet.</p> <p>Drivers may decide to leave the trade, fares do not meet the demands of the rising costs of living.</p>	<p>Increase too much for service users. Drivers may see reduced income due to lack of public use.</p>	<p>Lack of public confidence in use of Hackney Carriages due to unknown charges.</p> <p>Varying charges between proprietors creating confusion</p>	<p>The public do not utilise the services of hackney carriages in the night time economy and take risks to get home. I.e, walking.</p>
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5.0 Officer preferred option

- 5.1 Option 2 and option 4, to apply retail price index (RPI) across the tariff, 6.1%, additionally introducing an additional charge of £4.00 for fares taken post 21.00, this would be in line with the booking fee (already in place) and would apply to those working for private hire operators as well as hackney carriages available at stands in the district.
- 5.2 The option to set an additional charge for fares taken post a certain time in the evening was a suggestion from the local Pubwatch and business improvement district manager (*BID*), this was in response to concerns raised by them in the availability (lack of) of licensed vehicles in the town centre, in the night-time economy. They believe it is having a negative impact on local businesses, that local people and visitors to the area are reluctant due to worries about getting home safely. It is thought that by introducing the charge, more drivers will be encouraged to work into the evening, assisting with the problem highlighted and maintain the public safety objective by ensuring people get home safely.

6.0 Conclusion

- 6.1 In 2022, following a period of consultation with the public and licensed trade, the Councils Cabinet, on recommendation of Licensing Committee agreed a methodology for fare reviews in relation to hackney carriages operating in the district. It seems appropriate that members look to review the frequency of the fare reviews, considering the annual cost of calibration to drivers, the additional administration required by the licensing service and the lengthy procedure required to implement changes to the table of fares.
- 6.2 Options for the coming year are set out above and include applying the approved methodology, deregulation fare setting and maintaining the current table of fares for a further 12 months,
- 6.3 As this is an Executive decision the Licensing Committee is not the decision-making body so must refer this to Cabinet for their approval.

6.4 Members are requested to provide detailed reasons for their decisions, particularly if departing from policy.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

None.

FINANCIAL IMPLICATIONS

There are no direct financial implications to the Council as a result of this report

SECTION 151 OFFICER'S COMMENTS

Not applicable

LEGAL IMPLICATIONS

Pursuant to Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, the advertising requirements are as follows:-

1. Putting a notice in the local paper
2. Notice must specify a date, not less than 14 days from the date that the notice is published to allow for objections and is the date, if no objections are made, that the revised fare will come into force.
3. If objections are made, and not withdrawn the Council must consider those objections and the fares then will come into effect (modified or unmodified) within 2 months of the original date.

MONITORING OFFICER'S COMMENTS

Not applicable

BACKGROUND PAPERS

None.

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