

Hackney Carriage Fare Increase 2022

Final Decision-Maker	Licensing Committee
Lead Head of Service	John Littlemore, Head of Housing and Community Services
Lead Officer and Report Author	Lorraine Neale
Classification	Non-exempt
Wards affected	All

Executive Summary

A request has been made by the Hackney trade to increase fares in response to the current crisis which has seen a rapid increase in fuel charges and the cost of living in general. Governance changes have meant that the meeting calendar for Licensing Committee have not yet been determined for the 2022 -23 period. As we currently do not have any future dates decided for Licensing Committee and we wish to avoid financial hardship for the Hackney trade it is requested that Licensing Committee consider the matter at the meeting on 31st March 2022.

Purpose of Report

To consider the Maidstone Taxi Proprietor Association's request for an increase in fares by the travelling public for hackney carriage journeys.

This report makes the following recommendations to this Committee:

1. That the table of fares set out in Appendix 3 to this report be agreed.
2. That the Head of Housing and Community Services be authorised to give public notice of the Council's intention to fix this table of fares for Hackney Carriage vehicles in accordance with Section 65(2) of the Local Government (Miscellaneous Provisions) act 1976 to take effect from April 2022.
3. Should objections be received, this matter is brought back to Licensing Committee for consideration within two months of publication.

Timetable

Meeting	Date
Licensing Committee	31st March 2022

Hackney Carriage Fare Increase 2022

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Cross Cutting Objectives	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Risk Management	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Financial	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Finance Officer
Staffing	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Legal	<ul style="list-style-type: none"> <i>Under Section 65 of The Local Government (Miscellaneous Provisions) Act 1976, the Council may fix the rate for fares for Hackney Carriage vehicles within the Borough, for time, distance and all other charges in connection with hire of the vehicle. To meet the requirements, it is necessary to advertise the agreed variation and allow for 14 days for any objections to be made</i> 	Team Leader – Contentious and Corporate Governance
Privacy and Data Protection	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Equalities	There is no impact on Equalities as a result of the recommendations in this report.	Equalities & Communities Officer
Public Health	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Crime and Disorder	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale
Procurement	<ul style="list-style-type: none"> <i>No implications have been identified.</i> 	Lorraine Neale
Biodiversity and Climate Change	<ul style="list-style-type: none"> <i>No implications have been identified</i> 	Lorraine Neale

2. INTRODUCTION AND BACKGROUND

- 2.1 Under section 65(1) of the Local Government (Miscellaneous Provisions) Act 1976, the Local Authority has the power to set the maximum fares for the hire of a Hackney Carriage vehicle.
- 2.2 The current fares set have been in place since 10th July 2020 and the trade has requested a review of the current fare structure. There are currently 48 licensed Hackney Carriages that are allowed to ply for hire in Maidstone. Fares charged by Hackney Carriages cannot be more than the fare set by Maidstone Borough Council. The council do not set the fares for private hire vehicles.
- 2.3 A request has been received from the Maidstone Taxi Proprietors' Association for an increase in fares, by means of an increase to the initial hiring charge for tariffs 1, 2 and 3 and a decrease each additional 125m to 115m, also to reduce waiting times from 30s to 28s see letter of request at Appendix 1. The comparison table shows the effect the request will have on fares.

Miles (metres)	Current Tariff 1	Proposed Tariff 1	Current Tariff 2	Proposed Tariff 2	Current Tariff 3	Proposed Tariff 3	Av % increase
.342 (550)	£3.00	£3.20	£4.50	£4.80	£6.00	£6.40	6.6%
1 (1609)	£4.68	£5.04	£7.02	£7.56	£9.36	£10.08	7.69%
1.5 (2414)	£5.98	£6.44	£8.96	£9.66	£11.96	£12.88	7.69%
2 (3218)	£7.26	£7.84	£10.90	£11.76	£14.52	£15.68	7.98%
2.5 (4023)	£8.56	£9.28	£12.84	£13.92	£17.12	£18.56	8.41%
3 (4828)	£9.84	£10.64	£14.76	£15.96	£19.68	£21.28	8.13%
10 (16093)	£27.86	£30.32	£41.78	£45.30	£55.74	£60.40	8.82%
20 (32186)	£53.60	£58.20	£80.38	£87.30	£107.24	£116.40	8.58%
50 (80467)	£130.86	£142.20	£196.18	£213.30	£261.74	£284.40	8.66%

The request will cause an average increase in fares of 7.98% for customers travelling a 2 mile journey on all 3 tariffs.

- 2.4 A comparison of all the Kent authorities for Tariff one as published by Private Hire Monthly (March 2022) for a two mile journey is as follows:-

Council		Cost £ per 2 miles	Proposed
Ashford	2019	£6.50	
Canterbury	2019	£6.40	
Dartford	2018	£7.10	
Dover	2021	£7.10	
Folkestone & Hythe	2012	£6.20	
Gravesham	2020	£6.80	
Maidstone	2020	£6.53	£7.84 (7.98%)
Medway	2020	£6.60	
Sevenoaks	2019	£7.06	
Shepway	?	£6.20	

Swale	2018	£6.80	
Thanet	2015	£5.40	
Tonbridge and Malling	2018	£7.00	
Tunbridge Wells	2019	£7.20	

- 2.5 The increase is in response to rising fuel and running costs and is considered reasonable, as can be seen from the table the increase requested will make Maidstone the most expensive Borough in Kent. It is envisaged that many Kent Authorities will receive requests to increase fares as huge hikes to the cost of living continue. It is therefore important the fares represent the living wage locally. In addition, any uplift would need to be balanced in terms of public expectation who may respond to the consultation, anything too great would face criticism and potentially result in less work for the hackney carriage trade. Therefore, it is considered that agreement to the request can be recommended and the scheme of Hackney Carriage fares amended accordingly Appendix 3.

3. AVAILABLE OPTIONS

- 3.1 An increase to the initial hiring charge for tariffs 1, 2 and 3 and decrease each additional 125m to 115m.
- 3.2 To reduce the waiting from 30s to 28s.
- 3.3 Do nothing.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Members consider the contents of the report to determine whether the fare increase should be granted.
- 4.2 The setting of fares is a statutory duty placed upon the Council and it is the Council's responsibility to strike a balance between setting a fare that is acceptable to the customer and to the taxi driver.
- 4.3 It is important that the Council through its licensing functions protects the public by ensuring that the fares charged by licensed Hackney Carriages are fair and justified and not excessive.
- 4.4 The last fare increase was 2020.

5. RISK

- 5.1 A rise to Hackney Fares does not create risk to the Authority but may create a risk to the Hackney trade if the public consider the charges to be too expensive and result in less work for the hackney carriage trade.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Should Members be minded to approve the increase, the Head of Housing and Community Services, be authorised to publicise the proposed fare increase as detailed in the report, and if no objections are received, the proposed fare increase takes effect no less than fourteen days from the date of publication.
- 6.2 Should objections be received, this matter is brought back to this Committee for consideration within two months of publication.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Officers will update the Council Webpages and update the Fare charts currently displayed in Taxis.
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8. REPORT APPENDICES

1. Trade request from trade
 2. Current Fare Chart
 3. Proposed Fare Chart
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9. BACKGROUND PAPERS

Local Government (Miscellaneous Provisions) Act 1976
<http://www.legislation.gov.uk/ukpga/1976/57/section/65>

UK Inflation Rate
[UK Inflation Rate | Inflation Rate and Consumer Price Index \(rateinflation.com\)](http://rateinflation.com)

Private Hire Monthly – Hackney fare table
<https://www.phtm.co.uk/taxi-fares-league-tables>