

Licensing Committee

Date of Meeting:	06 06 2022
Report Title:	Proposed increases to the Hackney Carriage Table of Fares
Report of:	Jayne Traverse, Executive Director Place
Report Reference No:	To be provided by Democratic Services
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. To consider proposals for increases in the Table of Fares applicable in each of the Council's Hackney Carriage Zones.

2. Executive Summary

2.1 Increases in the maximum fares payable for journeys in a Hackney Carriage vehicle have been requested by licence holders. The report sets out proposals for each of the three hackney carriage zones. Approval is sought to advertise the proposal by statutory notice and delegation given to the Head of Regulatory Services to consider any objections and determine the final maximum fares.

2.2 The table of fares should be set to enable:

- Sustainable income for drivers. It is therefore important that the public and trade recognise that the Council sets the maximum fares payable rather than a fixed rate
- Future investment in vehicles to ensure they remain safe and suitable for use as a working vehicle
- Clear and simple maximum charges that minimise the opportunity for overcharging or confusion over the fare payable

3. Recommendations

- 3.1.** That the Licensing Committee considers the proposal and resolves:
- i. That the proposals for each zone are approved for publication and consultation in accordance with statutory requirements.
 - ii. That the Licensing Team Leader is authorised to take all necessary actions to publish the Statutory Public Notices.
 - iii. In the event of any objections being received, the Head of Regulatory Services is given delegated authority to determine the final fares payable.
 - iv. If no objections are received, that the Table of Fares for each zone, advertised in accordance with the requirements of Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, will automatically come into effect on the date specified in the Statutory Public Notices.
- 3.2.** In addition to the above, the Licensing Committee is also requested to resolve:
- i. That delegated authority is granted to the Licensing Team Leader to propose changes to the tables of fares and to advertise those proposals in line with statutory requirements. The Licensing Team Leader will be limited to increases below or equal to the inflation rate (rounded) and minor changes to the structure of the fares. Any objections to proposals in these circumstances to be considered by the Head of Regulatory Services. Any proposals that exceed inflation rates are to remain with the Licensing Committee for consideration and determination.

4. Reasons for Recommendations

- 4.1.** Following an increase in the cost of living and fuel prices, several requests to increase the maximum fares have been received from the licensed trade. The Council's Constitution makes provision for decisions of this nature to be made by the Licensing Committee.

5. Other Options Considered

- 5.1.** The Licensing Team have considered not recommending an increase in the Table of Fares although this does not accord with representations made by the trade.

6. Background

- 6.1.** The Council's Hackney carriage fare cards has a complex history, which has been detailed in several reports previously presented to various Cabinet Members (i.e. prior to the Council moving to a Committee system). In summary, there were proposals to harmonise the fares payable across the

Borough. Different Cabinet Members have taken a different view as to whether harmonisation should be achieved.

- 6.2.** A phased approach to harmonisation was initially proposed by officers in 2014. Phase one of the proposals was implemented in 2015. The second phase of harmonisation was proposed in 2018. However, objections from two zones and a change in Cabinet Member resulted in a change of approach towards harmonisation and the proposals have not been resurrected.
- 6.3.** The fares in Congleton and Macclesfield zones have not been increased since 2015 (because members of the trade objected to the phase two proposals). Phase two of harmonisation did take place in the Crewe and Nantwich zone and their fares have not increased since 2018.
- 6.4.** The proposals before the Committee do incorporate some of the structural changes to the Table of Fares that were hoped to be achieved by harmonisation. These structural changes are set out in the appendices and relate to the flag rate. The flag rate is the amount that appears on the meter at the start of a journey, but before the journey has commenced (and before any extras may have been added). It is essentially the minimum fare possible. In order to simplify the calculation of fares it is proposed to make the flag rate the rate for the first mile. This means that any journey that is a mile or less will be set at the flag rate. The meter will therefore not change until the second mile is started, when the meter will increase at a cost per tenth of mile.
- 6.5.** A simplified fare structure is advantageous to consumers, as they can ensure relatively easily - with recourse to the table - that they are not being overcharged.
- 6.6.** The proposals for each zone are set out at appendix 1 - 3.
- 6.7.** Cheshire East Borough does have different fares that apply in each of our three Hackney Carriage zones. This is because at the time of Local Government Reorganisation the Council chose not to repeal the existing byelaws made by Congleton Borough Council, Crewe and Nantwich Borough Council, and Macclesfield Borough Council. This means that those byelaws are extant and create internal Hackney Carriage zones within Cheshire East. ~~And~~ Each of those zones must comply with the byelaws set by the former councils listed. The effect of zoning means that each zone needs to have its own set table of fares, though there is nothing in law to prevent the same charges being set for each zone. There is no power to create zones and this situation is wholly a by-product of Local Government Reorganisation.
- 6.8.** It should also be noted that the Council has no power to set the fees in relation to private hire vehicles. This type of hiring should be negotiated when the journey is booked. In respect of these fares, the market finds its own level.

Similarly, the Table of Fares set by this Authority would not be applicable to any vehicles licensed by other Local Authorities but working within Cheshire East. In those instances, the driver can charge as much or as little as the customer agrees to.

- 6.9.** Taxis play a vital role in ensuring our night-time economy is safe by making sure patrons of licensed premises, for example, leave a town centre quickly and efficiently and arrive home safely. Similarly, in areas where there is reduced public transport provision, taxis can fill this gap by ensuring those who need to attend their doctor or do their weekly shop are able to do so.
- 6.10.** Consideration should also be given to section 149 of the Equality Act 2010 which sets out characteristics that should be protected. The Council's duty under Section 149 is to have due regard to the matters set out in relation to equalities when considering and making decisions. This would include decisions on the maximum fares that may be charged for journeys in hackney carriages. No direct impact to those with protected characteristics have been identified as part of this proposal.
- 6.11.** Following any amendments to the Table of Fares, the meters in licensed vehicles may need to be recalibrated (either to the Council set maximum or to the drivers own Table of Fares). The cost of this process would fall to the proprietor of the vehicle and can vary depending on the type of meter used and the company carrying out the change. However, the cost could be in the region of £25.00 – £30.00 per change.
- 6.12.** Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 gives the Local Authority the discretion to set the maximum fares payable in connection with the hire of a Hackney Carriage vehicle. The fares must be set out in a table referred to as the 'Table of Fares'.
- 6.13.** A Hackney Carriage Proprietor is permitted to charge less, but not more than the maximum set by the Licensing Authority. The case of *R v Liverpool City Council ex parte Curzon Ltd* (1993) has confirmed that if the proprietor is using their own version of the Table of Fares or continues to use a previous Table set by the Local Authority, the taximeter should reflect the fare being charged. There is a requirement for the Table of Fares set by the Council to be displayed in the vehicle.
- 6.14.** Members will note that paragraph 3.2 sets out a resolution for officers to consider and determine increases in fares. This power will be limited to times when we need to react more quickly to changing the fares than the committee calendar would allow. The Licensing Committee has tended to meet on four occasions a year and if another spike in fuel costs arises this could delay any increase in the table of fares to the detriment of drivers. It is not sought for

this type of decision to be taken away completely from the Committee but to allow officers to make minor changes where the need arises.

7. Consultation and Engagement

- 7.1. A number of emails have been received from various parts of the trade requesting an increase to the fares. This follows the rise in living costs and fuel costs. The latter of which will have a direct impact on the trade's earnings.
- 7.2. Some suggested increases have been received and where appropriate and proportionate these have been included in the proposals before the Committee. However, we must be mindful that many customers on low or fixed incomes rely on taxis for travel. The increase in fares must therefore be balanced against customer expectations.
- 7.3. If the Committee approves the proposals and authorises them to be published, the publishing of the notices allows for a right of objection. These objections will be considered before a final fare is set.

8. Implications

8.1. Legal

- 8.1.1. The implications of the recommendations are few as set out in the following paragraph. There is a statutory power to fix the fares of hackney carriages. Whether this is promulgated by the local authority or by lobbying is subject only to the procedure set out in S.65 of the Local Government (Miscellaneous Provisions) Act 1976 and the local authority's own policy.
- 8.1.2. The amount of the fare is a matter for the local authority but will nonetheless be subject to public law principles of reasonableness and consideration of its S.149 Equality Act duty to have regard to amongst other things, advancement of equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- 8.1.3. In considering the recommendations the members should direct their mind to the reasonableness of increasing fares and have regard to whether it would affect the advancement of equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

8.2. Finance

- 8.2.1. If the Committee resolves that the proposals should be implemented, there is a requirement to advertise the variation to the fares in at least one local newspaper. As the Borough is also split into 3 sub-districts (known as zones) each fare card will need to be individually advertised. This will result in approximately nine notices placed in the press. The costs identified will

be met within existing budget provision within the Licensing Team's budget.

8.3. Policy

- 8.3.1. The Council's draft Hackney Carriage and Private Hire Licensing Policy, makes provision for increases in fares to be considered. This policy is currently going through the decision-making process and is not yet approved.

8.4. Equality

- 8.4.1. The regulation of hackney carriage fares is one control, which the Council exercises over the use of hackney carriages in the Borough. Such controls benefit all sections of the community. The hackney carriage trade provides a valuable service to disabled members of the community, particularly wheelchair users.
- 8.4.2. An equality assessment is not required in respect of the increase of hackney carriage fares.

8.5. Human Resources

- 8.5.1. There are no Human Resources implications

8.6. Risk Management

- 8.6.1. Full and thorough consideration of any responses received following the publication of the Notices is necessary to provide a reasonable and appropriate decision. This would also mitigate the risk of challenge to any decision taken.

8.7. Rural Communities

- 8.7.1. Taxis play a vital role in ensuring our night-time economy is safe by making sure patrons to licensed premises leave a town centre quickly and efficiently and arrive home safely. Similarly, in areas where there is reduced public transport provision, taxis can fill this gap ensuring those who need to attend their doctor or do their weekly shop are able to do so.

8.8. Children and Young People/Cared for Children

- 8.8.1. There are no direct implications

8.9. Public Health

- 8.9.1. There are no direct implications

8.10. Climate Change

- 8.10.1. As the report relates to our Hackney Carriage Licensing regime there will be a neutral impact on the Council's carbon footprint and energy consumption.

Access to Information	
Contact Officer:	Kim Evans – Licensing Team Leader Kim.evans@cheshireeast.gov.uk
Appendices:	Appendix 1 – Proposals for Congleton Zone Appendix 2 – Proposals for Crewe and Nantwich Zone Appendix 3 – Proposals for Macclesfield Zone
Background Papers:	Current DfT Best Practice Guide to LAs Draft DfT Best Practice Guide to LAs currently under consultation Comparison of fares across local authorities collated by Private Hire and Taxi Monthly. A magazine for the licensed trade. (CE zones - lines 107, 294 & 326)