

**Classification:** Public

**Key Decision:** No

## Gravesham Borough Council

**Report to:** Operational Services Cabinet Committee

**Date:** 22 September 2021

**Reporting officer:** Mark Lees, Regulatory Services Manager

**Subject:** Review of Taxi Tariff

### **Purpose and summary of report:**

To present Members with the proposed consultation methodology relating to the previously agreed 2 yearly review of the taxi tariff.

### **Recommendations:**

That Members:

1. Consider the proposed consultation methodology.
2. Instruct the Regulatory Services Manager to consult with the local taxi trade as proposed.

### **1. Background**

- 1.1 It is at the discretion of the Council as licensing authority to set a tariff for licensed hackney carriages operating within the borough.
- 1.2 Councils are not obliged to set a maximum tariff for their area, they can decide instead to rely on market forces to establish the going rate and at the same to promote competition.
- 1.3 In the past Gravesham Borough Council has chosen to set a tariff which represents the maximum that can be charged, rather than fixed or minimum fares. This means that a driver has the option of charging less than any tariff that is set if they so wish.
- 1.4 The setting of fares applies only to hackney carriages drivers and not to private hire drivers who can charge their own rates as statute allows. In practice however, many private hire drivers charge the rate set by the tariff for journeys within the borough as this leads to fewer arguments with customers who may otherwise be confused as to why charges differ for the same journey.
- 1.5 The taxi tariff was last reviewed in September/October 2019 and resulted in the implementation of an amended tariff proposed by the local trade. The current tariff is attached at **Appendix 2**.

- 1.6 It was also agreed that the ongoing undertaking from the council to routinely review the tariff every two years would remain in place, with the next review of the taxi tariff due to take place no later than September 2021.
- 1.7 The purpose of this paper is therefore to commence the review process in accordance with this undertaking.

## **2. Proposed Consultation Methodology**

- 2.1 Taxi tariffs can be confusing, however there are two primary elements which affect the fare:
  - 2.1.1 'The flag' – which is the amount shown on the meter at the start of a journey and therefore the minimum fare payable.
  - 2.1.2 'The yardage' (sometimes known as 'the drop' or 'the fall') – which dictates the rate at which the fare increases with distance whereby the fare increases more rapidly as the distance in yards decreases.
- 2.2 During the last review in 2019, in addition to the revised tariff put forwards by the local taxi trade, a number of other associated requests were made by them, namely:
  - 2.2.1 To keep the flag to an amount that is a multiple of 20p.
  - 2.2.2 Rather than consult on all elements of the tariff every two years, which can be excessively complex, to alternate between consulting on the flag and the yardage only, i.e. consult on the flag in 2021 and then the yardage two years later, and so on.
- 2.3 In keeping with these requests, it is proposed that the Licensing Team invite its licenced Hackney Carriage (Taxi) Drivers to advise, over a three-week period commencing no later than 24 September 2021, what their preferred option is from the following four choices for the flag:
  - 2.3.1 For it to decrease it by 20p to £2.60
  - 2.3.2 For it to remain the same at £2.80
  - 2.3.3 For it to increase by 20p to £3.00
  - 2.3.4 For it to increase by 40p to £3.20
- 2.4 As all licenced drivers in Gravesham are now required to provide an email address as part of their application, and acknowledge as part of their applications that all written communication will ordinarily be via email, it is proposed that consultation with drivers is done via email/online only, as has successfully been done in recent years.
- 2.5 The results from the consultation will be brought back to a future meeting of the Operational Services Cabinet Committee for consideration and subsequent determination by the Portfolio Holder for Operational Services in consultation with the Cabinet Committee.

### **3. BACKGROUND PAPERS**

- 3.1 None. Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

<p><b>Legal</b></p>	<p>The authority for the council to fix fares for hackney carriages is given under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. When a council makes or varies a table of fares, it must publish in one local newspaper a notice setting out the table of fares, or variations to the table, specifying the period (not less than 14 days) within which, objections to the table or variations can be made.</p> <p>A copy of the proposed tariff must then be available at the council's offices for the public to inspect, free of charge, at all reasonable hours.</p> <p>If there are no objections, the table, or variation, will come into effect on the expiration date of the period specified in the notice.</p> <p>If there are objections the council must set a further date, within two months after the date first specified, on which the table is to come into force with or without modification, as decided. Any such modification would be dealt with by the portfolio holder using powers already delegated to them in the Constitution.</p>
<p><b>Finance and Value for Money</b></p>	<p>The cost of re-calibrating individual meters would be met by individual hackney carriage proprietors.</p> <p>The £50 cost of the newspaper advertisement (required when changing the tariff) would be accommodated from within the G336/38102 ('Advertising – not for recruitment') budget of £500 for 21/22.</p>
<p><b>Risk Assessment</b></p>	<p>An unreasonably expensive tariff could be a source of resentment amongst the travelling public. Equally, and just as importantly, the council's tariff limits the earning potential of its licensed taxi trade and so an unreasonably low tariff could be a source of resentment amongst the trade.</p>
<p><b>Equality Impact Assessment</b></p>	<p><b>Screening for Equality Impacts</b></p> <p><b>Question</b></p> <p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p>Yes – An overly expensive taxi tariff may affect the ability of those on a low income to afford a taxi. Members need to weigh up the effect of all potential users of taxis against the needs of the trade who provide the valuable service to local users.</p> <p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>No</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
<p><b>Corporate Plan</b></p>	<p>There are direct links to Objective #1 – People, and indirect links to support objective #2 Place.</p>
<p><b>Crime and Disorder</b></p>	<p>There are obvious links to community safety in ensuring an adequate supply of properly licensed taxis as a safe mode of transport for the public, particularly when other public transport is unavailable, for example during the night time economy period. An unreasonably low earning potential could reduce the number of licensed taxis and also therefore the ability for people to get home, or elsewhere, safely.</p>

	Charging more than the maximum permitted fare is an offence. Ensuring a simple tariff structure, that is easy for the public and drivers to understand, can reduce the likelihood of taxi meters being set at a higher than permitted rate, or for additional charges inadvertently being made.
<b>Digital and website implications</b>	The Digital Team would be asked to upload a copy of any updated Tariff on to the council's website and may be asked to assist in publicising any changes approved.
<b>Safeguarding children and vulnerable adults</b>	The current version of the council's Hackney Carriage and Private Hire Licensing Policy includes mandatory safeguarding training as a pre-requisite to being able to apply for a licence. Drivers and operators are required by way of licence conditions to report concerns of CSE to Kent Police. The policy also includes guidance on the use of immediate suspensions/revocations, which could potentially be used in instances of suspected or confirmed CSE to safeguard the public.

## APPENDIX 2 – CURRENT TARIFF

Rate 1	
For the first 320 yards	£2.80
For each subsequent 160 yards or part thereof, or each stationary waiting period of 40 seconds	£0.20
After 6 miles, for each additional 135.39 yards or part thereof, or each stationary waiting period of 40 seconds	£0.20

Rate 2	
For any hiring commenced: <ul style="list-style-type: none"> <li>at any time on a bank holiday or public holiday</li> <li>between 18:00 and midnight on 24 December and 31 December</li> <li>between midnight and 06:00 on any other day</li> <li>at any time when carrying 5 to 8 passengers other than when Rate 4 would be in effect</li> </ul>	Rate 1 + 50%

Rate 3	
<ul style="list-style-type: none"> <li>For any hiring commenced on Sundays between 06:00 and midnight when carrying 1 to 4 passengers</li> </ul>	Rate 1 + £0.60

Rate 4	
For any hiring commenced: <ul style="list-style-type: none"> <li>between 00:01 on 25 December and 06.00 on 27 December</li> <li>between 00.01 on 1 January and 06.00 on 2 January</li> <li>between midnight and 06:00 when carrying 5 to 8 passengers</li> </ul>	Rate 1 + 100%

Rate 5	
<ul style="list-style-type: none"> <li>For any hiring commenced on Sundays between 06:00 and midnight when carrying 5 to 8 passengers</li> </ul>	Rate 2 + £0.60

Extra Charges	
Any sundry expenses incurred (i.e. Toll Charges, Parking fees, Ferry Fees, Congestion Charges)	Amount Incurred
If vehicle is soiled to the extent that it has to be cleansed before re-use	£75.00