

**Classification:** Public

**Key Decision:** No

## **Gravesham Borough Council**

**Report to:** Operational Services Cabinet Committee

**Date:** 16 November 2021

**Reporting officer:** Regulatory Services Manager

**Subject:** Review of Taxi Tariff 2021

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

To present the Operational Services Cabinet Committee with the outcome of the recent consultation with Gravesham-licensed Hackney Carriage drivers on the bi-annual taxi tariff review.

### **Recommendations:**

1. That Members consider whether there should be any amendments to the current taxi tariff and make any recommendations to the Portfolio Holder for approval.
2. That the Portfolio Holder approves any changes recommended under their delegated powers as set out in Annex 1.6 of the Councils' Constitution and authorises the Regulatory Services Manager to proceed with and complete the tariff setting process.
3. That Members endorse the next review of the tariff to commence no later than autumn 2023 in accordance with the previously agreed two yearly timetable.

### **1. Background**

- 1.1 A report was brought before the Operational Services Cabinet Committee on 22 September 2021 outlining proposals to consult with the local taxi trade on the taxi tariff.
- 1.2 Members of the Cabinet Committee duly considered the proposed consultation methodology and instructed the Regulatory Services Manager to consult with the local taxi trade as set out in the report.
- 1.3 The consultation commenced on 23 September in accordance with the aforementioned consultation methodology, which saw the trade being asked to advise on their preferred option for changes to the flag (the amount shown on the meter at the start of a journey and therefore the minimum fare) out of the following four choices:

- 1.3.1 For it to decrease it by 20p to £2.60
  - 1.3.2 For it to remain the same at £2.80
  - 1.3.3 For it to increase by 20p to £3.00
  - 1.3.4 For it to increase by 40p to £3.20
- 1.4 In accordance with section 2.5 of the report brought before the Operational Services Cabinet Committee on 22 September, the results from the consultation have been collated and are set out in section 2, below.

**2. Consultation Outcome**

- 2.1 All 163 Gravesham-licenced taxi drivers were consulted by way of emails to 143 addresses, some of which are used by multiple drivers.
- 2.2 Only 23 drivers had responded to consultation at the half way point. A reminder email was therefore sent to the whole trade marked as urgent, urging them to respond to the consultation before the deadline.
- 2.3 At the end of the consultation period a total of 65 drivers had responded, representing 40% of the taxi trade.
- 2.4 A summary of the responses received is set out in the table below:

Option No.	Option details	Number of votes	Percentage (of the total number of responses)
1	Decrease the flag by 20p to £2.60	0	0%
2	Keep the flag the same at £2.80	22	33.8%
3	Increase the flag by 20p to £3.00	26	40.0%
4	Increase the flag by 40p to £3.20	17	26.2%

- 2.5 As can be seen:
  - 2.5.1 None of the drivers who responded were in favour of decreasing the flag.
  - 2.5.2 66.2% of drivers who responded were in favour of an increase to the flag.
  - 2.5.3 The single most popular option was to increase the flag by 20p.

**3. Benchmarking**

- 3.1 Private Hire and Taxi Monthly, a website and monthly magazine for the trade and licensing authorities, maintains a 'league table' of tariffs set by licensing authorities (including Transport for London in relation to London 'Black Cabs') from the highest to lowest based on the cost of a 2 mile journey on Rate 1.

- 3.2 The October 2021 figures for all Kent licensing authorities are provided in **Appendix 3**. Members will note that, based on these figures, Gravesham currently has joint 6<sup>th</sup> highest fare out of the 13 Kent local authorities including Medway.
- 3.3 According to the national fares table, Gravesham currently has the 45<sup>th</sup> highest 2-mile fare out of 364 licensing authorities (although this is technically joint 39<sup>th</sup>).
- 3.4 For the purposes of benchmarking, the table below indicates where Gravesham would sit in the league table based on each of the 4 consultation options set out in section 1.3 of this report.

Option No.	Option details	Resultant place in National league table (out of 364)	Resultant place in Kent & Medway league table (out of 13)
1	Decrease the flag by 20p to £2.60	Joint 62 <sup>nd</sup>	Joint 7 <sup>th</sup>
2	Keep the flag the same at £2.80	Listed 45 <sup>th</sup>	Joint 6 <sup>th</sup>
3	Increase the flag by 20p to £3.00	Joint 27 <sup>th</sup>	Joint 5 <sup>th</sup>
4	Increase the flag by 40p to £3.20	Joint 15 <sup>th</sup>	Joint 1 <sup>st</sup>

- 3.5 Members should note that these results are indicative only and based on all other council's tariffs remaining the same which is unlikely to happen in practice.
- 3.6 There are of course numerous other factors that Members may wish to consider such as the costs of living and working as a taxi driver, effects of the pandemic, competition from other forms of public transport, and public safety in terms of the availability and attractiveness/affordability of the local taxi service to the travelling public.

#### 4. BACKGROUND PAPERS

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

IMPLICATIONS	APPENDIX 1
<b>Legal</b>	<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>
<b>Finance and Value for Money</b>	<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>
<b>Risk Assessment</b>	<p>An unreasonably expensive tariff could be a source of resentment amongst the travelling public. The taxi tariff does however represent the maximum fare that can be charged and so drivers are able to charge less to be competitive if they so wish. 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>
<b>Data Protection Impact Assessment</b>	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of <a href="#">personal data</a> or <a href="#">special category data</a> or <a href="#">criminal offence data</a>? No</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at <a href="mailto:gdpr@medway.gov.uk">gdpr@medway.gov.uk</a>.</p>
<b>Equality Impact Assessment</b>	<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 service to local users.</p>

IMPLICATIONS	APPENDIX 1
	<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>
<b>Corporate Plan</b>	There are direct links to Objective #1 – People, and indirect links to support objective #2 Place.
<b>Climate Change</b>	Whilst the taxi tariff does not have a direct impact on climate change, the cost of a journey for the travelling public, and earning potential for existing and future taxi drivers, may affect the number of taxis on the road and/or the number of journeys they make, which will affect climate change. The emissions of taxis is however a separate, albeit associated, matter dealt with by way of policy, and it is therefore suggested that climate change should not be a primary consideration in determining the setting of the local taxi tariff.
<b>Crime and Disorder</b>	<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. Similarly, and unreasonably high fare but deter the public from using locally licenced taxis.</p> <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.</p>
<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

### APPENDIX 3 - Benchmarking of taxi tariffs in Kent – October 2021

Position in League Table out of Kent Councils	Position in League Table out of 364 Councils Nationally	Council	Fare for 2 Mile journey on Tariff One as at Oct 2021	Last rise
1	18	Tunbridge Wells	£7.20	2019
2	21	Dartford	£7.10	2018
3	22	Dover	£7.10	2021
4	26	Sevenoaks	£7.06	2019
5	31	Tonbridge & Malling	£7.00	2018
6	45	Gravesham	£6.80	2019
7	51	Swale	£6.80	2018
8	72	Medway	£6.60	2020
9	82	Ashford	£6.50	2019
10	85	Maidstone	£6.50	2017
11	89	Canterbury	£6.40	2019
12	133	Folkestone & Hythe	£6.20	2012
13	294	Thanet	£5.40	2015