

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Operational Services Cabinet Committee
Date: 14 September 2023
Reporting officer: Emily Lane-Blackwell – Senior Licensing Officer
Subject: Review of Taxi Tariff

Purpose and summary of report:

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

Recommendations:

That Members:

1. Consider the proposed options for the tariff review.
2. Consider the proposed consultation methodology.
3. Instruct the Licensing department to consult with the local taxi trade as proposed.

Key Implications:	
Item	Implications
Legal	<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.</p> <p>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. 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>
Finance and Value for Money	<p>The cost of re-calibrating individual meters would be met by individual hackney carriage proprietors.</p> <p>The 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 23/24.</p>

Corporate Plan	There are direct links to Corporate Objective 1 – People Enforce high regulatory standards: put customer and employee safety first by ensuring commercial businesses and licence holders are fully compliant with expected legislative standards
Climate Change	None

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 time to promote competition.
- 1.3 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 carriage 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 2021 and resulted in the implementation of an amended tariff proposed by the local trade. The current tariff is attached at Appendix 1.
- 1.6 It was agreed that the ongoing undertaking from the Council to review the tariff every two years would remain in place, with the next review of the tariff to take place no later than September 2023.
- 1.7 The purpose of this paper is to commence the review process in accordance with this undertaking.
- 1.8 There are two primary elements which affect the fare:
 - 1.8.1 'The flag' – which is the amount shown on the meter at the start of a journey and therefore the minimum fare payable.
 - 1.8.2 'The yardage' – which dictates the rate at which the fare increases with distance, whereby the fare increases more rapidly as the distance in yards decreases.
- 1.9 It was agreed in 2019:
 - 1.9.1 To keep the flag to an amount that is a multiple of 20p.
 - 1.9.2 To alternate between consulting on the flag and the yardage only.

- 1.10 The 'flag' was amended in 2021, so this year we are reviewing the 'yardage'. This involves two aspects. The yardage up to six miles and the yardage once the distance goes above six miles, known locally as the 'six mile uplift'.
- 1.11 Currently, after the flag (being £3.00 for the first 320 yards travelled):
 - 1.11.1 the fare goes up 20p every 160 yards until six miles, and then;
 - 1.11.2 the fare goes up 20p for every 135.39 yards.
- 1.12 In collaboration with the Gravesham Taxi Association (GTA), we have come up with six options for the 'yardage' to consult on, up to six miles. The options for the 'six mile uplift' will be either to remove it or to keep it in alignment with the newly agreed tariff.

2. Proposal for the standard yardage:

- 2.1 The proposals for the standard tariff rate are:
 - 2.1.1 Decrease the tariff by 20p per mile by increasing the yardage to 176 yards (1/10 of a mile).
 - 2.1.2 Do nothing and keep the tariff as it currently is, with the yardage set at 20p every 160 yards (1/11 of a mile).
 - 2.1.3 Increase the tariff by 20p per mile by reducing the yardage to 146.67 yards (1/12 of a mile).
 - 2.1.4 Increase the tariff by 40p per mile by reducing the yardage to 135.38 yards (1/13 of a mile).
 - 2.1.5 Increase the tariff by 60p per mile by reducing the yardage to 125.71 yards (1/14 of a mile).
 - 2.1.6 Increase the tariff by 40p per mile by increasing the yardage to 270.76 (2/13 of a mile) but also increasing the charge per 270.76 yard to 40p (also see 2.2 and 2.3, below).
- 2.2 Option 2.1.6 is the option offered by the Gravesham Taxi Association.
- 2.3 Because the meter clicks over at the beginning of the yardage, option 2.1.6 would provide a 20p higher fare than an equivalent journey on option 2.1.4 for the first 135 yards of each 270 yards travelled.
- 2.4 In the table below you can see calculated costs for 1, 2 and 5 mile journeys for each of the six proposed options.

Option	1 mile	2 miles	5 miles
2.1.1	£4.64	£6.64	£12.64
2.1.2	£4.80	£7.00	£13.60
2.1.3	£4.96	£7.36	£14.56
2.1.4	£5.13	£7.73	£15.53
2.1.5	£5.29	£8.09	£16.49
2.1.6	£5.13	£7.73	£15.53

3. Proposal for the six-mile uplift:

- 3.1 The proposals for the six-mile uplift are:
 - 3.1.1 To remove it.
 - 3.1.2 To keep it at two n^{ths} above from the yardage.
- 3.2 The current 'yardage' is 0.20p every 160 yards (11th of a mile) and the uplift after 6 miles is 0.20p every 135.39 yards (13th of a mile), i.e., 2 n^{ths} higher.
- 3.3 The GTA would like to keep the increase so if the 'yardage' went to 0.20p every 135.38 (1/13 of a mile) then the six-mile uplift would change to 0.20p every 117.33 yards (1/15 of a mile).

4. Proposed Consultation Methodology

- 4.1 It is proposed that the Licensing Team consult the Hackney Carriage drivers over a four week period commencing no later than 18 September 2023, and ask what their preferred option/s are from those shown in Appendix 2.
- 4.2 Our trade is required to communicate via email, as our primary form of contact, and have been for a number of years now. They submit their applications online, send documentation, and otherwise communicate with officers effectively via email.
- 4.3 It was therefore proposed to consult with the trade by email, as has been done to good effect in previous consultations. This also assists officers to collate and report on results accurately, whilst also helping to ensure responses received are legitimate.
- 4.4 The GTA have however asked if we could also provide a sealed container in which the trade could place handwritten responses.
- 4.5 This can be done, however, to reduce the possibility of duplication or falsification of responses, any such box would need to be located behind the Customer Services desk at reception, with ID checks being carried out by front desk staff prior to each vote being accepted.
 - 4.5.1 The Customer Services and Gateway Manager has been consulted about this option and has given her agreement for this to go ahead if approved by committee.
- 4.6 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.

5. Appendices

- 5.1 There are 2 appendices.
- 5.2 The following documents are to be published with the report:
 - 5.2.1 Appendix 1 – Current Tariff

6. Background Documents

6.1 There are no background documents.

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Secondary Implications	
Risk Assessment	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.
Data Protection Impact Assessment	<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 personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. 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 gdpr@medway.gov.uk. N/A</p>
Equality Impact Assessment	<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. 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. 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>
Crime and Disorder	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 nighttime 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.
Digital and website implications	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.
Safeguarding children and vulnerable adults	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.