

Report of Head of Elections, Licensing and Registration

Report to Licensing Committee

Date: 1 August 2017

Subject: Hackney Carriage (taxi) tariff review 2017

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 The council last reviewed the Hackney Carriage (taxi) tariffs in 2012. A review of the tariffs charged by taxis is therefore overdue.
- 2 This report advises Licensing Committee on the proposals and timescales to review and increase (if proposed) the tariffs charged by taxis in Leeds, following recommendations from the local hackney carriage associations.

Recommendations

- 1 That Members note the information in this report.
- 2 To seek Members' support for the tariff review.

1 Purpose of this report

- 1.1 The council last reviewed the hackney carriage (taxi) tariffs in May 2012. A review of the tariffs charged by taxis is therefore overdue.
- 1.2 To inform Members of the proposals to review and increase the tariffs charged by taxis in Leeds, following recommendations from the local hackney carriage associations.

2 Background information

- 2.1 Leeds City Council has the authority, under the Local Government Miscellaneous Provisions Act 1976, to set the hackney carriage (taxi) tariffs for the 537 taxis licensed by the council.
- 2.2 The tariff establishes the maximum fare charged by a licensed Leeds Hackney Carriage vehicle.
- 2.3 To fix the schedule of fares, a written request is submitted to the council, usually by the hackney carriage associations. The application must include details of the increase/decrease and provide supporting evidence and then the council will grant, amend or refuse the application.
- 2.4 The council is obliged under Local Government (Miscellaneous Provisions) Act 1976, to advertise for a period of 28 days any variation to an approved table of fares. Any objections to the proposal must be considered before new tariffs are brought into force.
- 2.5 Once a fare increase has been approved, the council is required to ensure all licensed hackney carriage vehicles have meters which show the new tariffs, and to ensure that meters are checked and sealed, and that there are clear fare cards for each vehicle. This is to ensure that members of the public are not overcharged for their journey, and that there is a clear explanation about the fare change or increase.

3 Main issues

Hackney carriage association consultation (July 2017)

- 3.1 The council contacted the Hackney carriage associations in July 2017, to seek their proposals for the tariff to change. The current tariff is summarised in the fare card in **Appendix 1**.
- 3.2 The associations have been asked to submit their proposals to the council by the end of July. Depending on when the proposals are received, this may extend into August.

Advertising of revised tariffs (August 2017)

- 3.3 The council is required to advertise the proposed tariffs for a 28 day period. Depending on when the proposals are received, this may extend into September.

- 3.4 Any objections to the proposal must be considered before new tariffs are brought into force. The review of objections falls within the delegated decisions of the Head of Elections, Licensing and Registration. However, Members of this committee will be informed of objections and how the council has responded to them.
- 3.5 Given the length of time since the last tariff review, it is very likely that the hackney carriage associations will propose a tariff increase which reflects the general costs of living to drivers, and the costs of driving in particular. It is likely that the council will receive proposals to increase the tariffs, which will mean that fares will rise in Leeds. However, the cost of living has risen significantly since 2010, and it is reasonable that the fares charged by hackney carriage drivers rise in proportion. A table comparing Leeds tariff with those of other authorities is attached in **Appendix 2**. Leeds ranks equal 84th in the current list of hackney carriage fares, based on a fare of £6.20 for a typical 2 mile journey.
- 3.6 The Office for National Statistics (ONS) site states that the Retail Price Index has increased 12% since Q2 2012 and Q1 2017. The same site suggests the RPI for motorists has increased by only 1% over the same period. The council has also received recently a proposal from a taxi company (which is not represented by an association) for the council to increase the extra charges (from 50p per passenger to a 50% tariff increase) for larger vehicles seating more than 5 and fewer than 8 passengers.
- 3.7 At the same time, the competition in the taxi and private hire trade has become extremely strong since 2010. Competition has been driven by the entry of new competitors using ride hailing apps, and the rise of cross-border working, following the Deregulation Act 2015. If the associations were to propose very high fare increases, there is a risk that they would harm their own competitiveness.

Implementation of new tariffs (September 2017)

- 3.8 Once the council has responded to the objections, the council then can implement the new tariffs. If the new tariffs are significantly (e.g. more than 10%) higher than previously, there will be a need for the council to work with the trade and make sure that the travelling public are aware of the new fares, when they come into force, and why the new fare is higher than previously.
- 3.9 The next step of the tariff review would be to undertake the following:
- Contact all trade associations and other proprietors and advise them of the planned date of tariff change;
 - Contact the four local taximeter companies and advise them of the planned date of tariff change;
 - Produce new 2017 laminated or plastic Fare Cards – two for each vehicle. One for the driver to refer to, one for the passenger;
 - Issue a press release to let the local public know fares will be changing;
 - Arrange for the taximeter companies to change all the taximeters over a defined 48 hour period; and
 - Taxi and private Hire Licensing staff check and seal the new taximeters.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 This review will be based on consultation and engagement with the trade.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Equality and Cohesion Screening Assessments will be carried out on any changes to training provision.

4.3 Council policies and City Priorities

4.3.1 The Taxi & Private Hire Licensing policies contribute to the following aims:

Best Council Plan 2013 -17

Towards being an Enterprising Council

Our Ambition and Approach

Our Ambition is for Leeds to be the best city and Leeds City Council to be the best council in the UK – fair, open and welcoming with an economy that is both prosperous and sustainable so all our communities are successful.

Our Approach is to adopt a new leadership style of civic enterprise, where the council becomes more enterprising, business and partners become more civic, and citizens become more actively engaged in the work of the city.

Our Best Council Outcomes

Make it easier for people to do business with us.

Our Best Council Objectives

Promoting sustainable and inclusive economic growth – Improving the economic wellbeing of local people and businesses. With a focus on:

- Helping people into jobs;
- Boosting the local economy; and
- Generating income for the council.

Ensuring high quality public services – improving quality, efficiency and involving people in shaping their city. With a focus on;

- Getting services right first time; and
- Improving customer satisfaction.

4.3.2 Taxi & Private Hire Licensing policies contribute to priorities:

- Reduce crime levels and their impact across Leeds;
- Effectively tackle and reduce anti-social behaviour in communities;
- Safeguarding children and vulnerable adults.

4.3.3 Leeds City Council has both a moral and legal obligation to ensure the duty of care for both children and vulnerable adults across all of its services. This cannot be achieved by any single service or agency. Safeguarding is ultimately the

responsibility of all of us and depends on the everyday vigilance of staff, who play a part in the lives of children or vulnerable adults.

4.4 Resources and value for money

4.4.1 The Taxi and Private Hire Licensing service is cost neutral to the Council and by virtue of the Local Government (Miscellaneous Provisions) Act, 1976, raises its own revenue by setting fees to meet the cost of issuing and administering licenses. The council charges the associations and operators the costs of advertising the new tariffs and of changing the taximeters.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications arising from these proposals, and they are not subject to call in or publication.

4.6 Risk Management

4.6.2 There are no risk management implications arising from these proposals, and they are not subject to call in or publication.

5 Conclusions

5.1 The council last reviewed the hackney carriage (taxi) tariffs in May 2012. A review of the tariffs charged by taxis is therefore overdue. The local hackney carriage associations have been asked to submit proposals to the council, with indicative timescales for advertising in August, and implementing in September.

5.2 It is likely that the council will receive proposals to increase the tariffs, which will mean that fares may rise in Leeds. However, the cost of living has risen significantly since 2012, and it is reasonable that the fares charged by hackney carriage drivers rise in proportion.

6 Recommendations

6.1 That Members note the information in this report.

6.2 To seek Members' support for the tariff review.

7 Background documents

Office for National Statistics Retail Price Index homepage:
<https://www.ons.gov.uk/economy/inflationandpriceindices>

Appendices:

Appendix 1 Current hackney carriage tariff

Appendix 2 Current hackney carriage tariffs compared

Appendix 1 Current hackney carriage tariff

LEEDS CITY COUNCIL - FARES FOR HACKNEY CARRIAGES

The table of fares set out below is authorised under Byelaw 17 of the Byelaws with respect to

Hackney Carriages and Section 65 L.G. (MP) Act 1976 - Part 2

TARIFF 1 - DAY 06.00 TO 21.59 Monday to Friday

For the initial 180 yds/70 seconds	£2.40
For each subsequent 180 yds/70 seconds (until taximeter shows £6.00)	20p
Then for every 253 yds/75 seconds (until taximeter shows £8.80)	20p
Then for every 221 yds/65 seconds	20p

TARIFF 2 - NIGHT 22.00 TO 05.59

For the initial 164 yds/70 seconds	£3.00
For each subsequent 164 yds/70 seconds (until taximeter shows £7.00)	20p
Then for every 237 yds/75 seconds (until taximeter shows £13.00)	20p
Then for every 227 yds/65 seconds	20p

TARIFF 3 - DAY 06.00 TO 21.59 Saturday/Sunday/Bank Holidays except Xmas/New Year

For the initial 180 yds/70 seconds	£2.70
For each subsequent 180 yds/70 seconds (until taximeter shows £6.30)	20p
Then for every 253 yds/75 seconds (until taximeter shows £9.10)	20p
Then for every 221 yds/65 seconds	20p

XMAS PERIOD IS BETWEEN 18.00 ON 24 DECEMBER AND 05.59 ON 27 DECEMBER
NEW YEAR PERIOD IS BETWEEN 18.00 ON 31 DECEMBER AND 05.59 ON 2 JANUARY

TARIFF 4 - DAY 06.00 TO 21.59 Christmas/New Year period

For the initial 180 yds/70 seconds	£3.60
For each subsequent 180 yds/70 seconds (until taximeter shows £9.00)	30p
Then for every 253 yds/75 seconds (until taximeter shows £13.20)	30p
Then for every 221 yds/65 seconds	30p

TARIFF 5 - NIGHT 22.00 TO 05.59 Christmas/New Year period

For the initial 164 yds/70 seconds	£4.50
For each subsequent 164 yds/70 seconds (until taximeter shows £10.50)	30p
Then for every 237 yds/75 seconds (until taximeter shows £19.50)	30p
Then for every 227 yds/65 seconds	30p

THE TAXI METER FITTED TO THIS TAXI AUTOMATICALLY CALCULATES THE COST OF THE JOURNEY FROM

PICK-UP TO DROP-OFF. THE ONLY EXTRA CHARGES ARE:-

EXTRA CHARGES

1. For each person in excess of 3 for the whole or part journey irrespective of distance 50p
2. For non cash credit account fare payment. An additional maximum charge of 15% of the fare
3. Maximum charge for fouling inside or outside of the carriage £30.00

THE ABOVE FARES DOES NOT INCLUDE ANY TOLLS, CAR PARK FEES OR ENTRY ACCESS FEES
COMPLAINTS

Complaints relating to the driver or vehicle should be made to the Taxi & Private Hire Licensing Section.
225 York Road, Leeds LS9 7RY. Telephone (0113) 214 3366.

The Licence Number of the Carriage is:

V.A.T. Registration No.

TPHL/37 (05/12)

Appendix 2 Current hackney carriage tariffs compared

Rank	Council	2 mile fare	Rank	Council	2 mile fare
1	LUTON AIRPORT	£9.20	35	BASINGSTOKE & DEANE	£6.60
2	WATFORD	£8.40	35	BRENTWOOD	£6.60
3	LONDON (HEATHROW)	£7.60	35	CRAWLEY	£6.60
3	CARRICK	£7.60	35	EXETER	£6.60
5	EPSOM & EWELL	£7.20	35	HIGH PEAK	£6.60
5	LONDON	£7.20	35	MEDWAY	£6.60
5	DARTFORD	£7.20	35	TUNBRIDGE WELLS	£6.60
8	HERTSMERE	£7.00	35	WAVENEY	£6.60
8	JERSEY	£7.00	35	WEALDON	£6.60
8	KENNETT NOW WILTSHIRE (EAST ZONE)	£7.00	35	YORK	£6.60
11	MID SUSSEX	£7.00	35	NORTH DEVON	£6.60
11	NORTH WILTSHIRE	£7.00	46	MAIDSTONE	£6.50
11	SALISBURY	£7.00	46	MOLE VALLEY	£6.50
11	WEST WILTSHIRE	£7.00	46	SOUTH SOMERSET	£6.50
15	VALE OF WHITE HORSE	£6.90	49	RESTORMEL	£6.45
15	ADUR	£6.90	49	HARROGATE	£6.45
15	BRIGHTON & HOVE	£6.90	51	ARUN	£6.40
18	CARADON	£6.80	51	ASHFORD	£6.40
18	COLCHESTER	£6.80	51	BATH & NORTH EAST SOMERSET	£6.40
18	EAST LOTHIAN	£6.80	51	CAMBRIDGE CITY	£6.40
18	HART	£6.80	51	GRAVESHAM	£6.40
18	NORTH CORNWALL	£6.80	51	GUERNSEY	£6.40
18	POOLE	£6.80	51	GUILDFORD	£6.40
18	READING	£6.80	51	HARLOW	£6.40
18	WEST BERKSHIRE	£6.80	51	MALVERN HILLS	£6.40
26	KERRIER	£6.75	51	NORWICH	£6.40
26	NUNEATON & BEDWORTH	£6.75	51	OXFORD	£6.40
26	SEVENOAKS	£6.75	51	PURBECK	£6.40
26	CHELMSFORD	£6.75	51	SOUTH CAMBRIDGE	£6.40
26	EASTLEIGH	£6.75	51	SOUTH GLOUCESTER	£6.40
26	ROTHER	£6.75	51	SOUTH LAKELAND	£6.40
26	SWINDON	£6.75	51	STROUD	£6.40
33	WEYMOUTH & PORTLAND	£6.70	51	SURREY HEATH	£6.40
33	BOURNEMOUTH	£6.70	51	WOKING	£6.40
			51	WOKINGHAM	£6.40
			51	TORBAY	£6.40
			51	COUNTY OF HEREFORD	£6.40
			72	COVENTRY	£6.30

Rank	Council	2 mile fare
72	DACORUM	£6.30
72	EAST DEVON	£6.30
72	ISLE OF MAN	£6.30
72	LEWES	£6.30
72	PENWITH	£6.30
72	SWALE	£6.30
72	TONBRIDGE & MALLING	£6.30
80	FOREST OF DEAN	£6.27
81	HARBOROUGH	£6.27
82	TORRIDGE	£6.27
83	MIDLOTHIAN	£6.27
84	ARGYLL & BUTE	£6.20
84	BIRMINGHAM	£6.20
84	BRISTOL, CITY OF UA	£6.20
84	CHELTENHAM	£6.20

Rank	Council	2 mile fare
84	CHICHESTER	£6.20
84	CREWE & NANTWICH	£6.20
84	HORSHAM	£6.20
84	LEEDS	£6.20
84	LINCOLN	£6.20
84	MENDIP	£6.20
84	NORTH HERTS	£6.20
84	NORTHAMPTON	£6.20
84	ROCHFORD	£6.20
84	RUNNYMEDE	£6.20
84	SEDGEMOOR	£6.20
84	SHEFFIELD	£6.20
84	SHEPWAY	£6.20