

## GENERAL PURPOSES AND LICENSING COMMITTEE – 27 MAY 2022

### REVIEW OF NFDC TAXI TABLE OF FARES (TAXI TARIFF)

#### 1. RECOMMENDATIONS

- 1.1 That Members of the Committee consider the information contained in this report and determine whether to adopt an increase the current tariff of fares. Members can either:
- i. Approve changes to the tariff as proposed in **Appendix 3**.
  - ii. Approve the changes to the tariff with amendments.
  - iii. Refuse the proposed changes.
- 1.2 That, should Members agree to the increase, with or without amendments, they resolve to authorise the advertising of the tariff. If no objections are received then it should come into effect after the period allowed for objections.

#### 2. INTRODUCTION

- 2.1 This report is presented to Members following requests from New Forest hackney carriage proprietors to increase the general tariff of fares within the district. The report provides details of the review and the proposed fare increases in relation to hackney carriage fees.
- 2.2 New Forest District Council (NFDC) is responsible for setting the maximum fares for the hackney carriage tariff by the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976.
- 2.3 All hackney carriage proprietors are required to install and use calibrated meters in their hackney carriages to regulate passenger fares within the district. The Council does not have powers to set fares for journeys in private hire vehicles, however many private hire operators voluntarily adopt the charging scale and have meters installed in their vehicles.
- 2.4 Members should note that the tariff is a maximum charge and drivers may charge a lower fare or offer a discount if they wish.

#### 3. BACKGROUND AND REASON FOR THE REVIEW

- 3.1 The last increase to the tariff was approved by this Committee on the 9 March 2012 and implemented on 2 July 2012. The current tariff of fares is provided as **Appendix 1**.
- 3.2 The cost of living has steadily increased over recent years, along with other overheads such as vehicle replacement, servicing and insurance costs and more recently the cost of fuel. In addition, the trade has been impacted by the Covid pandemic and all of these factors have put financial pressures on the trade in this current economic climate.
- 3.3 The Table of Fares (tariff) should be set to enable a sustainable income for drivers, future investment in vehicles and to clearly set rates that minimise the opportunity for overcharging or confusion for residents and visitors to the area.
- 3.4 The tariff has to be displayed within all Hackney Carriages to allow passengers to calculate the approximate cost of their journey.

3.5 The review has only considered the rates and the additional charges and there is no proposal to alter the tariff band structure. The tariff structure will stand as:

**Tariff 1** 07:00 to 23:00

**Tariff 2** 23:00 to 07:00

and on all Public Holidays with the exception of those covered by Tariff 3

**Tariff 3** Between 18:00 on 24 December and 07:00 on 27 December  
and between 18:00 on 31 December and 07:00 on 2 January

3.6 Should Members agree to increase the tariff, the Council is legally obliged to advertise any variation of fares as required by s65(2) of the Local Government (Miscellaneous Provisions) Act 1976. A notice must be published in at least one local newspaper setting out the variation, which cannot be less than 14 days from the date of first publication of the notice, for any objections to be made. A copy of the notice will also be available at the council offices and on the website.

3.7 If no objection to the variation of the tariff, or if all objections are withdrawn, the revised tariff will come into operation on the date of expiration of the consultation period.

3.8 However, if objections are received from members of the public or the trade and are not withdrawn, the General Licensing and Purposes Committee must consider the objections and set a further date, no more than 2 months after the first specified date by which to agree, or reject any modifications.

3.9 There is no right of appeal once the fares have been set.

#### **4. CONSULTATION ON THE TARIFF**

4.1 A consultation was carried out between 12 and 28 January 2022 with hackney carriage proprietors in the district (43 in total). The purpose of the consultation was to ensure that any increase in charges made was carefully considered and justified and that a single proposed tariff could be put forwards to Members for consideration.

4.2 The Council received 21 individual replies but based on some proprietors holding multiple licences for more than one vehicle, this represents a total of 84 vehicles. (There are currently 112 hackney carriages in the NFDC fleet).

4.3 The consultation questions requested views on increasing the flag drop charge, the yardage charge and waiting time. Proprietors were also asked for views on luggage charges, those for carrying animals, charges for the number of passengers and soilage fees. Further details are provided in **Appendix 2**.

4.4 All responses confirmed the need to increase the tariff, however there was a range of suggestions as to how an increase may be applied. All wanted an increase in the flag drop (the initial hiring charge ie. the starting price on the meter) and the majority requested an increase to the yardage (the subsequent running distance).

#### **5. COMPARISON NATIONALLY AND LOCALLY**

5.1 In terms of the national context, in April 2022, the New Forest was ranked 170 out of the 355 local authorities for a two mile journey on tariff 1 (position 1 being the most expensive). (*Source: Private Hire and Taxi Monthly*). The national average for a two-mile hackney fare on tariff 1 is £6.17, (current rate for NFDC is £6.03).

- 5.2 It is important to note that many Licensing Authorities are currently reviewing their tariffs or have recently increased them. Whilst it is acknowledged that situations and requirements differ between authorities, benchmarking has been carried out to consider consistency of costings. A two mile rate is the common comparison used by authorities and the table below shows where the proposed tariff would sit against other authorities for a two mile journey on tariff 1.

Council	Rate for 2 miles Tariff 1	Last review date	Previous rate
BCP	£7.65	2022	£7.20
Southampton	£7.60	2022	£6.20
Wiltshire	£7.30	2022	£7.00
<b>NFDC Proposed</b>	<b>£7.27</b>	<b>Currently</b>	<b>£6.03</b>
Dorset	£7.20	2022	N/A
IOW	£7.10	2022	£6.00
Eastleigh	£6.70	2016	
Basingstoke and Deane	£6.60	2016	
Havant	£6.40	2022	£5.80
East Hants	£6.40	2018	
Portsmouth	£6.20	2019	
Winchester	£6.20	2016	
Test Valley	£6.80	2020	

## 6. PROPOSALS

- 6.1 The current tariff is set out in **Appendix 1** and the proposed tariff is set out in **Appendix 3**. For Members ease the table below provides a summary of the proposals and compares the current tariff against the new proposed tariff.

	Tariff 1		Tariff 2		Tariff 3	
	Current	Proposed	Current	Proposed	Current	Proposed
<b>First 850 yards (Flag drop)</b>	£2.30	<b>£2.60</b>	£2.85	<b>£3.00</b>	£3.80	<b>£4.00</b>
<b>Each subsequent 143 yards (Yardage)</b>	20p	<b>25p</b>	30p	<b>35p</b>	40p	<b>45p</b>
<b>Waiting time</b>	20p for 50 sec	<b>30p per 60 secs</b>	30p per 75 sec	<b>40p per 60 secs</b>	40p per 100 sec	<b>50p per 60 secs</b>
<b>Luggage Charge</b>	Removed					
<b>Animal Charge</b>	Removed					
<b>Passenger Charge</b>	No Change					
<b>Soilage Charge</b>	Increase					

- 6.2 The proposal is to increase the flag drop by 30p on tariff 1, 15p on tariff 2 and by 20p on tariff 3. This increase is in line with the majority of responses from the trade and based on the current economic climate, would provide a more realistic, up to date charge for local shorter journeys.
- 6.3 The yardage increase of 5p is proposed across all tariffs for journeys over 850yds (a mile is 1760 yds). The table in **Appendix 4** provides a comparison with the current tariff of fares and indicates the proposed increases for a number of milestones.
- 6.4 The waiting time is applied should a passenger request to call at a cash point or whilst stopping to allow further passengers to board. In order to simplify the tariff it is proposed to change the effective time periods to one minute. An increased rate of 25p for 1 minute at tariff 1, 35p for 1 minute at tariff 2 and 45p for 1 minute at tariff 3 is proposed, which supports the majority of responses received.
- 6.5 There was no majority response to support an increase of the charge for additional passengers and therefore it is proposed that this remains the same at 20p per passenger per journey for 3 or more passengers in a vehicle.
- 6.6 The majority of consultation responses support the removal of charges for luggage and animals and this is in line with several other councils. The proposal to remove these charges will simplify the tariff. It should be noted that assistance dogs have always been exempt from any additional charges.
- 6.7 The proposal to increase the soilage charge from £20.00 to £70.00 more accurately reflects the cost of removing the vehicle from use when having to valet and clean vehicles when soiled by customers. Whilst the Licensing Officers acknowledge this is a large increase, it is intended to compensate drivers for the cost of cleaning the interior, for loss of earnings and to act as a deterrent. This figure is in a similar region to other authorities and in practice, a soiling charge is often negotiated at the time.

## **7. CONCLUSION**

- 7.1 The taxi trade has experienced a number of financial pressures in past years notably from the effect of the Covid pandemic, the recent high increase in fuel prices, higher insurance premiums and a rise in the cost of living. In addition, there has been no increase in the taxi tariff in the New Forest for 10 years.
- 7.2 Whilst there is no one single organisation representing taxi drivers in the New Forest, the Licensing Manager received several requests over the past few months, from drivers, operators, Councillors and a Member of Parliament, requesting a review of fares with a view to an increase.
- 7.3 A balance needs to be struck between supporting the trade in having a viable livelihood and the needs of the travelling public.
- 7.4 The proposed amendments to the tariff put forwards have been carefully considered and are in line with other neighbouring local authorities who have recently reviewed their tariffs.
- 7.5 Members should note that the fares prescribed by the Council are maximum fares and drivers may charge a lower fare or offer a discount if they wish.

## **8 FINANCIAL IMPLICATIONS**

- 8.1 There are no financial implications as the income is not generated for the Council.

## **9 CRIME & DISORDER, ENVIRONMENTAL, EQUALITY & DIVERSITY AND DATA PROTECTION IMPLICATIONS**

- 9.1 An Equality Impact Assessment has been completed and it is likely that those most affected by this proposed tariff change would be those that are most heavily reliant on public transport, the elderly and disabled. Although it is proposed to increase the maximum permitted fare, it is not mandatory for all taxi firms to do so. This is a maximum charge and drivers may charge a lower fare or offer discount. The taxi tariff only relates to hackney carriages and not private hire vehicles. Regular users of taxis who use this mode of transport for various reasons may have an agreement in place with a specific taxi company or driver.

## **10 APPENDICES**

- Appendix 1- Current tariff of fares
- Appendix 2- Consultation responses
- Appendix 3- Proposed tariff of fares
- Appendix 4- Proposals across all tariffs

### **For further information contact:**

Joanne McClay  
Service Manager  
Environmental and Regulation  
Email: [Joanne.mcclay@nfdc.gov.uk](mailto:Joanne.mcclay@nfdc.gov.uk)

### **Background Papers:**

None

Christa Ferguson  
Licensing Manager  
Environmental and Regulation  
Email: [Christa.ferguson@nfdc.gov.uk](mailto:Christa.ferguson@nfdc.gov.uk)