

REPORT TO EXECUTIVE



DATE	13th July 2022
PORTFOLIO	Community & Environment
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Review of Hackney Carriage Table Of Fares

PURPOSE

1. To consider a request from the Hackney trade to increase the Hackney Carriage Table of Fares. The proposed increase for Tariff 1 & 2 has the support of Hackney Carriage trade representatives and active/working Hackney Carriage drivers licensed by Burnley Borough Council.

RECOMMENDATION

2.
 - That Licensing Committee recommend that Executive approve the proposed increase to metered Hackney Carriage fares on Tariff 1 & 2 illustrated at Appendix B.
 - That Executive approves the proposed increase to metered Hackney Carriage fares on Tariff 1 & 2 illustrated at Appendix B.
 - That, in the event of any objections, Executive delegates authority to the Head of Streetscene in consultation with the Executive Member for Community and Environmental Services to consider any objections received; and after due consideration, to set a new implementation date, with or without modifications.

REASONS FOR RECOMMENDATION

3. The setting of Hackney Carriage fares is an Executive function, but not a key decision.

SUMMARY OF KEY POINTS

4. The Hackney Carriage Table of Fares is reviewed at the request of the trade. This indicates the maximum charge that can be demanded for a journey in a Hackney Carriage and is set in the meter. As this is an Executive function, but not a key decision, Licensing Committee are to be consulted at their meeting on June 23rd and invited to recommend its approval to the Executive. Should Executive decide to vary the fees, the new table of fares will be advertised in a local newspaper and be displayed on the website for 14 days. If there are no objections the fares will come into effect thereafter.

If any objections are received within the 14 days and not withdrawn, then they will be considered by the Head of Streetscene in consultation with the Executive Member. A new date will then be set for implementation, with or without modification. This date will be within 2 months of the date of expiry of the initial period for objections.

5. There has not been a review of the Hackney Carriage fares since 2006. A request to review fares was received in 2008, but did not have the support of the trade and was abandoned. In that time expenses have risen considerably.
6. In the May 2022 National Hackney Carriage Fares table, Burnley Borough Council's fares currently sit 345th out of 349 Local Authorities. This fare table compares details of hackney fares charges across the country for a 2-mile journey on Tariff 1. Burnley Borough Council's hackney fare for a 2-mile journey on Tariff 1 is currently £4.50.

A link to the National Hackney Carriage Fares table is available below at para 13 – Background Papers.

7. In late 2021, Hackney Carriage trade representatives proposed a modest increase mainly due to the financial impact the COVID 19 pandemic, increases in the cost of fuel, vehicle maintenance and the general increase in the cost of living. This request is reflected in the proposal. It simply increases the `flag rate` i.e. the starting figure on the meter. It does not increase the `running rate` i.e. the rate for the measured distance/journey time. In summary the change requested is:

	Current first 1320 yards (three quarters of a mile) or 4 minutes	Proposed first 1320 yards (three quarters of a mile) or 4 minutes
Tariff 1 - 6am to midnight	£2.50	£3.00
Tariff 2 – midnight to 6am & certain Bank Hols	£3.00	£3.50

Officers suggested that the running rate, ie after the first 1320 yards etc. might also be increased to ensure that addition fuel costs in particular are reflected in the meter rate, but this was not supported by the trade representatives or their members.

The hackney carriage trade is concerned a significant increase would result in the general public being discouraged from using hackney carriages due to the increased cost and render hackney carriage drivers unable to compete with the private hire trade.

For example, a hackney driver undertaking a short local journey on Tariff 1 in heavy or static traffic conditions may be making little or no progress. However, the meter is still running and clocking an additional £0.20 pence on the fare every 40 seconds. Drivers are reluctant to charge the full metered fare due and will invariably charge the customer a reduced fare.

It should be noted that most metered journeys carried out by Hackney Drivers are local and relatively short. Therefore, the modest tariff increase proposed would provide a financial benefit on most journeys.

In contrast, longer metered journeys would see very little financial benefit. However, the fare for these is normally subject to negotiation with the customer at the start of the journey, and the metered charge is rarely demanded. This negotiation is permitted provided the charge does not exceed that on the meter.

Considering the fare increase proposed by the trade, this would increase the cost of a 2-

mile journey to £5.00. This would move Burnley's fare tariff to 330th in the national fare table, comparable with Rossendale Borough Council's tariff.

8. All active/working hackney carriage drivers licenced as such by Burnley Borough Council were canvassed in relation to this proposal by way of a brief questionnaire.

The questionnaire asked the drivers to indicate their preference as follows:

- I am in favour of a tariff increase
- I am **not** in favour of a tariff increase
- No preference

Of the 28 drivers canvassed, a total of 18 returned their questionnaire all in favour of a tariff increase

9. Consideration was given to the recognised formula developed by Guildford Borough Council.

The Guildford model for setting hackney carriage fares has stood the test of legal challenge and time. It provides a means of setting and reviewing fares in a structured, transparent, and methodical way. The formula can be applied to other local authority areas as a more consistent approach.

The Guildford model considers a number of factors which include:

- Average local annual salary
- Cost of running a hackney carriage
- Annual cost of hackney carriages licences
- Additional allowance for insurance
- Annual average mileage
- Dead mileage

Guildford Borough Council is 19th in the national fare table and a hackney fare for a 2-mile journey is currently £7.60.

Whilst average salary costs in Guildford will be higher than Burnley, their licence conditions do not specify purpose-built hackneys as is the case in Burnley, which are significantly more expensive to buy and maintain.

If the Guildford model was applied to the proposed fare increase for Burnley Borough Council, clearly fares would increase significantly.

On the face of it, this would appear to be an attractive proposition. However, further consultation with the trade has established a significant fare increase is not wanted by drivers.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

10. The only financial implication of this recommendation is the cost to the trade of the

recalibration of the Hackney Carriage meters.

POLICY IMPLICATIONS

11. The recommendation would introduce permanent changes to the Hackney Carriage table of fares.

DETAILS OF CONSULTATION

12. Consultation with trade as outlined in the report. Taxi Task Gp endorsed the report on 9.06.22. Licensing Committee will consider the proposal on 23rd June.

BACKGROUND PAPERS

13. Link to National Hackney Carriage Fares Table - May 2022:
[PHTM May 2022 Issue 356 :: 86 \(yudu.com\)](https://www.yudu.com/issue/356/86)
Link to the Guildford model outlined in the Institute of Licensing publication – Pages 14 – 17:
[link-magazine-issue-8-fv.pdf \(instituteoflicensing.org\)](https://www.instituteoflicensing.org/publications/link-magazine-issue-8-fv.pdf)

FURTHER INFORMATION

PLEASE CONTACT:

James Astin

ALSO:

Karen Davies

Existing:

Hackney Carriage Table of Fares

THE DRIVER IS REQUIRED BY LAW TO SWITCH THE TAXI METER ON AT THE START OF EACH JOURNEY

Applies to all journeys within the Borough Boundary and to journeys outside the Borough Boundary unless agreed otherwise between driver and hirer prior to the hiring.

TARIFF 1

For hiring commenced between the hours 6.00 am and midnight each day

- For the first 1320 yards (three quarters of a mile) or 4 minutes.....**£2.50**
- For each succeeding 220 yards or 40 seconds thereafter or a combination of both.... **£0. 20**

TARIFF 2

For hiring commenced between midnight and 6.00 am each day, Statutory Holidays and Bank Holidays (excluding Christmas and New Year):

- For the first 1280 yards (8 elevenths of a mile) or 4 minutes and 48 seconds.....**£3.00**
- For each succeeding 160 yards or 36 seconds thereafter or a combination of both.....**£0. 20**

TARIFF 3

For hiring commenced between the hours 6.00 pm Christmas Eve and 6.00 am 27 December and between 6.00 pm New Year's Eve and 6.00 am 2 January:

- For the first 1320 yards (three quarters of a mile) or 4 minutes. .. **£5.00**
- For each succeeding 220 yards or 40 seconds thereafter or a combination of both.....**£0.40**

EXTRA CHARGES.

- To cover cleaning and loss of income, where the interior of the vehicle is soiled (at the discretion of the driver) not exceeding **£50.00**
- Before the journey starts the driver must advise if He / She is exercising discretion to charge a maximum of **£1.00** for carrying abnormal loads. (This does not apply to carriage of suitcases, hand – held luggage, shopping bags, prams / pushchairs or wheelchairs.)
- Assistance dogs are carried free of charge.

UP-FRONT PAYMENTS

DRIVERS MAY ASK YOU TO PAY AN ESTIMATED FARE / DEPOSIT UP-FRONT. IF YOU DO NOT AGREE YOU MAY BE REFUSED TRAVEL.

Complaints or Compliments Should Be Addressed to:

THE LICENSING OFFICE, PARKER LANE, BURNLEY BB11 2DT OR BY E MAIL TO licensing@burnley.gov.uk

Remember to note the taxi plate number and ask for a receipt for the journey

Proposed:

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