

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	LICENSING APPLICATIONS SUB-COMMITTEE 3		
DATE:	4th OCTOBER 2022	AGENDA ITEM:	
TITLE:	REVISION OF HACKNEY CARRIAGE FARES FOR THE YEAR 2022/23		
LEAD COUNCILLOR:	Cllr Tony Page	PORTFOLIO:	CLIMATE & TRANSPORTATION
SERVICE:	PLANNING, DEVELOPMENT & PUBLIC PROTECTION	WARDS:	BOROUGH WIDE
LEAD OFFICER:	CLYDE MASSON	TEL:	07710664077
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 From time to time the hackney carriage trade requests that the Council increases the amount they can charge their customers for transportation to their desired destinations, the last of which was 12 July 2022. This report sets out the recent history of fare rises and current levels of fares in Reading.

2. RECOMMENDED ACTION

- 2.1 That the Committee considers the contents of this report.
- 2.2 That, the Committee considers the objections received in respect of the proposed hackney carriage fare increase which was advertised in a local newspaper as statutorily required and provide your recommendation to the Assistant Director for Planning, Transport & Public Protection

2.3 List of appendices

- Appendix I - Table of fares up to the hearing 12/07/2022 & Table of fares as agreed on 12/07/2022
- Appendix II - Letter from the chair Reading Taxi Association
- Appendix III - Objections to the fare increase
- Appendix IV - Objectors further reasoning and proposal
- Appendix V - Chart Showing cost of journeys over two miles

3.0 POLICY CONTEXT

- 3.1** The Assistant Director for Planning, Development and Public Protection has delegated authority to approve and implement hackney carriage fare rises, having taken into account any recommendations expressed by the Licensing Applications Committee or Licensing Applications Sub-Committee 3.
- 3.2** The Assistant Director for Planning, Development and Public Protection has delegated authority to advertise hackney carriage fare rises in a local newspaper, in accordance with the requirements of the Local Government (Miscellaneous Provisions) Act 1976.
- 3.3** Currently in Reading hackney carriage fares are set by the Licensing Committee and all journeys taking place within Reading are paid in accordance with the fares set on the vehicle meter at the end of a journey.

4. THE PROPOSAL

4.1 Current Position

- 4.1.0** Hackney carriage fares were reviewed by the Licensing Applications Sub-Committee 3 at their February 2020 meeting. The committee granted a reduction in the yardage for all daytime fares to 133 yards, no other charges were changed. The table of fares tariff agreed at this meeting are attached in the background papers as Appendix I.
- 4.1.1** The current charge available to drivers if a customer soils the taxi is £40 for the inside and £10 for the exterior. These charges have not changed for many years and do not reflect the clean-up costs and time lost by drivers. These charges can be found within the table of fares as set out in Appendix I.
- 4.1.2** On 11th May & 5th June 2022 the Chair of the Reading Taxi Association (RTA) wrote to the licensing section requesting the fare rise as set out in Appendix II.
- 4.1.3** On 19th June 2022 the Taxi trade also requested a change to the cost for cleaning their taxis when customers have soiled the taxi this request is also included in Appendix II.
- 4.1.4** On the 12th July 2022 a report was submitted to the Licensing Applications Committee requesting a £1 increase in the flag drop on both tariff's 1&2 from £2.60 to £3.60 and £3.60 to £4.60 respectively.
- 4.1.5** At the Committee on 12th July 2022 members resolved to grant the increase in the flag drop as set out above at 4.1.4. and raise the cleaning charges after soiling to £70 inside the taxi and £25 outside.

- 4.1.5** As required under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 a consultation was commenced from the 20th July to 3rd August 2022 with an advert being placed in a local paper and on the RBC website.
- 4.1.6** During the consultation period four objections and a petition against the fare rise detailing 97 Hackney Carriage drivers was received by officers. These objections and petition are set out in Appendix III to this report. They do not object to the increase in soiling charges as agreed at the meeting on 12 July 2022.
- 4.1.7** The objections made by Hackney Carriage drivers state that they were not consulted fully by the RTA, and that the RTA failed to be transparent with its members on this issue. They do not agree to the fare increase in the form that was presented to the Licensing Applications Committee on the 12th July 2022.
- 4.1.8** The objectors have provided further reasoning for their objection to the fare rise and an alternative proposal as set out in Appendix IV and 4.3.3 to this report.
- 4.1.9** A chart has been compiled which shows how Reading's proposed tariffs compare to other Local Authorities over a two-mile journey and also what the other Local Authorities charge in respect of any extras. Appendix V refers.
- 4.2.** Since the 12th July 2022 report the September edition of the Private Hire Taxi Monthly (PHTM) has been published. In this edition the National Fare Table places Reading at Number 19 in the national league table. <https://content.yudu.com/web/43sy4/0A43sy5/PHTMSEPTEMBER2022/html/index.html?page=78&origin=reader> pages 78 & 79. The Local Authority fares table is set out in Appendix VI to this report.
- 4.2.1** The trade have highlighted an increase in fuel over the last year as a major factor in their request for an increase in fares. The RAC provides data on fuel pricing on their website. Their data shows a considerable increase in fuel from May 2021 to Sept 2022.

<https://www.racfoundation.org/data/uk-pump-prices-over-time>

	May 2019	Down	May 2020	Up	May 2021	Up	May 2022	Up	Sept 2022
Diesel	£1.35.47	-23.5p	£1.11.86	19.5p	£1.31.33	50p	£1.81.48	£2p	182.66
Petrol	£1.30.43	-23.5p	£1.06.69	22.5p	£1.28.96	40.5p	£1.69.52	£4p	173.9p

4.3 Options

4.3.1 Option 1 -

As agreed at Licensing committee on 12 July 2022 maintain the decision of the committee to increase the flag drop by £1.00 on both daytime and night-time tariffs. The Day tariff is currently £2.60 which would increase to £3.60 and the Night-time tariff is currently £3.60 which would increase to £4.60.

4.3.2 As agreed on Licensing committee 12 July 2022 increase the Soiling charges as set out on the taxi fare tariff chart to £70 for the interior of the taxi and £25 for the exterior of the taxi.

4.3.3 Option 2 -

This proposal received by the petitioners following the Licensing hearing on 12 July 2022 provides a hybrid increase to both the flag drop and reduction in yardage to increase the fares on both day and night tariffs as set out below.

(a) A proportionate increase in the flag drop or flag down rate;

(b) An increase in yardage during the day on tariff one, up by at least 10% and during the evening or night rate on tariff two by 13.5%;

(c) Waiting time/duration should be reviewed and increased accordingly to a reasonable amount due to time spent in traffic;

(d) increase in extras 20p to at least 40p;

(e) In addition, the waiting time should be increased to £20 per hour from what it is right now given the economic climate.

In addition, this Committee is invited to review any increase in fares and tariffs after 12 months of implementation as a matter of transparency in the best interests of users as well as taxi drivers.

4.4 Other options to be considered

4.4.1 Option 3 - After taking into consideration the proposals, the Licensing Applications Committee may decide to provide an alternative option to those provided by the trade and petitioners.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 The Hackney Carriage trade provides a valuable service to the public by being available to transport customers throughout the borough on a 24-hour basis.

5.2 Equal Opportunities

The regulation of hackney carriage fares is one control which the Council exercises over the use of Hackney Carriages in Reading. The cost of providing taxis for use has become more expensive so owners and drivers need to be able to recoup increased costs. Any increase in fares will be across the board but may be detrimental to lower income users.

5.3 Sustainable Implications

The provision of an adequate number of controlled hackney carriages will encourage the economy of the town and Hackney Carriages form part of the integrated transport system for the borough. With the availability of an improved public transport system, there will be a reduced need for private motor vehicles, thereby contributing to an improved environment.

5.4 Community Safety Implications

The provision of high quality controlled Hackney Carriages, the drivers of which are vetted, allows the public to travel in safety. This reduces both the opportunity for crime and the fear of crime.

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 6.1** There are no specific environmental or climate implications to this policy as any fare rise is more likely to dissuade customer usage due to increased cost.

7. COMMUNITY ENGAGEMENT AND INFORMATION

- 7.1** Proposed changes to Hackney Carriage fares are legally required to be advertised in a local newspaper, allowing any person to object to the changes.
- 7.2** If objections are submitted these must be considered before any fare changes can be implemented.

8. EQUALITY IMPACT ASSESSMENT

- 8.1** An equality impact assessment has been carried out and is attached as Appendix VII to this report.

9. LEGAL IMPLICATIONS

- 9.1** Section 65 (1) A district council may fix the rate or fares within the district as well for time and distance, and all other charges in connection with the hire of a vehicle or with the arrangements for hire of a vehicle; to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as “table of fares”) made or varied in accordance with the provisions of this section.

(2) (a) When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.

(b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.

(3) If no objections to a table of fares or variation is duly made within the period specified, in the notice referred to in subsection (2) of this section, or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.

(4) If an objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objections.

(5) A table of fares made or varied under this section shall have effect for the purposes of the Act of 1847 as if it were included in hackney carriage byelaws made thereunder.

10. FINANCIAL IMPLICATIONS

10.1 The cost of publishing the required notices is allowed for in existing budgets.

11. BACKGROUND PAPERS

11.1 None