

WELWYN HATFIELD BOROUGH COUNCIL
COUNCIL 17TH SEPTEMBER 2020
REPORT OF THE CORPORATE DIRECTOR (PUBLIC PROTECTION, PLANNING
AND GOVERNANCE)

REVIEW OF HACKNEY CARRIAGE FARES

1.1.1 Executive Summary

- 1.1 This report explains the consultation, steps and processes undertaken on taxi fares and tariffs, with a view to reviewing and updating the current taxi fares in Welwyn Hatfield borough.
- 1.2 Following requests from hackney carriage drivers, a review has been undertaken into the fare structure for Welwyn Hatfield Borough. The last fares adopted were back in 2008, 12 years ago and it is now timely that this review takes place.
- 1.3 The Hackney Carriage Team completed a postal survey which started on 27th April 2020 and ended on 31st May 2020. The team consulted with 178 current licensed Welwyn Hatfield hackney carriage drivers. Of those 178 hackney carriage drivers, 60 responses were received (33.7%).
- 1.4 A summary of the responses is as follows;
 - The majority of respondents were in favour that Tariff 1 (appendix 1) should be increased by 50 pence and the base line distance be lowered from 900 yards to 525 yards.
 - The respondents were also in favour that the subsequent mileage fare stay the same at 20 pence, but that the subsequent distance be lowered to 150 yards.
 - A strong majority of respondents were in favour of continuing the rates for waiting times with no changes and also for Tariff 3 charges being kept the same.
 - There was also agreement that fouling charges be kept the same as they currently are.
- 1.5 These responses are explained in more detail in the explanation section below.

2 Recommendation(s)

- 2.1 Council agrees to the proposed fare increases as set out in Appendix 4 of this report.
- 2.2 Council agrees that the start date for the new fares be set as the 1st December 2020

3 Explanation

- 3.1 Welwyn Hatfield Borough Council (WHBC) is responsible for the licensing and enforcement of the Hackney Carriage and Private Hire trade (the taxi trade) within its district. As part of this obligation, the authority shall produce and adopt a dedicated policy setting out the reasonable terms and conditions expected to be adhered to by those working within the trade.
- 3.2 This includes a reasonable fare structure for those who use a taxi meter which also is representative as reasonable to ensure the safety and wellbeing of the public who use these services within the Welwyn Hatfield community.
- 3.3 The current taxi fares structure was adopted in 2008. In 2016, a consultation was undertaken to enable a review of the fares following requests. At this time, it was decided there was not sufficient support, due to a minimal number of responses received, to be able to review the 2008 fares and this did not proceed any further.
- 3.4 It has now been some time since the fares were last reviewed and further requests have been made to increase the current fares. The reason for the request is that drivers now have to accommodate the increase in associated costs.
- 3.5 The Hackney Carriage team therefore commenced a consultation process with the drivers in order to find out what fares they believed to be reasonable based on their operating costs. The consultation took the form of a paper questionnaire which was sent out to all 178 licenced hackney carriage drivers.
- 3.6 The consultation took place for one month between 27th April and 31st May 2020. In this time, a total of 60 drivers responded by post and by email with their feedback on the fares. This amounts to 33.7% of the drivers.
- 3.7 This is a reasonable amount of responses and it is believed that the responses are a good representation of what the trade require to enable a review of the fares to proceed to the next stage of consultation.
- 3.8 Taxi fares are calculated using a taximeter and the meter shows the maximum fare that can be charged at the end of a journey. The fare is based upon the time of day and distance travelled and time taken.
- 3.9 The taxi fares adopted by WHBC, consists of two separate components; the initial charge and the charging unit which is a specified amount for a fixed distance. At present, the permitted initial charge (1.A and B Appendix 1) is £2.50 for the first 900 yards (0.51 miles) or part thereof, and a charging unit of 20 pence for every 170 yards thereafter (0.9 miles) (1.C Appendix 1).
- 3.10 The proposed increase is to raise the initial charge to £3.00 for the first 525 yards (0.29 miles) or part thereof, and a reduction in the length of the charging unit to 150 yards (0.08 miles), although maintaining the price of each charging unit at 20 pence per unit.
- 3.11 The responses from the consultation were collated into a spreadsheet (Appendix 2). Three variables were calculated to show the total price of a journey for

distances of 2 miles (an average local journey) and also at 5 miles and 10 miles. These can be seen in columns 8, 9 and 10 (highlighted light green) of the data collection.

- 3.12 The median requested increase from the responses has been used to put forward the proposed increase seen above at 2.10 as this has been deemed as a balanced and reasonable increase.
- 3.13 The data shows that the responses from the trade do not call for any major changes to the waiting times or extra charges (section 3 (a)-(e) of current fares). Therefore, it is recommended that there should be no changes to these parts of the fares.
- 3.14 The neighbouring authority fares have also been considered as well as the most expensive national fare and the cheapest national fare in England (Appendix 3). These were taken from figures recently published in the Private Hire News in June 2020.
- 3.15 The fare statistics show that the current WHBC's taxi fares tend to rank our prices within the cheapest three in Hertfordshire and Bedfordshire. In comparison nationally we are ranked 244 out of 363 authorities in England.
- 3.16 If WHBC were to adopt the new fares locally this would place us in the top three boroughs for fares in Hertfordshire and Bedfordshire. Nationally this would move us to around position 28 in England.
- 3.17 It can also be seen that all of the neighbouring licensing authorities have reviewed and adopted new fares within the last 7 years, compared to WHBC which was last reviewed 12 years ago. Given that no increases of taxi fares have occurred over the last 12 years, and the UK Consumer Price Index has increased by approximately 34.31% since 2008, it is reasonable to review the request to increase the fares.
- 3.18 Following the consultation process with drivers, the Council can either reject the request to advertise the new fare structure and leave the pricing arrangements as they are or they can approve the recommendation in this report.
- 3.19 To accept the request and change both components of the fare by the amounts proposed below, at the same time from a date to be agreed would mean:-
- A component decrease in distance to 525 yards for and component increase in price to £3.00 for Part 1 A and B of the fare chart.
 - A component decrease in distance to 150 yards for Part 1 C.
 - Part 1 D to remain the same at 0.20 pence.
- 3.20 If the new proposed fares are accepted then the fees must be advertised to the public for 14 days to allow for objections. If no objections are received then the new fare structure will automatically be granted from the proposed implementation date.

- 3.21 If objections are received after advertisement of the proposed fare structure then the Council will have to hold a hearing to allow for any objections to be heard.

Implications

4 Legal Implication(s)

- 4.1 Welwyn Hatfield Borough Council is the hackney carriage licensing authority for its district, and it is required to have licensing policies which are legally compliant and fit for purpose.
- 4.2 This Authority is also legally required to determine and implement a taxi fares pricing structure. This structure should be appropriate to permit a taxi trade to exist in the area whilst being reasonable for those who may wish to use the services.
- 4.3 Fares can be set using the powers and mechanisms contained in the Local Government (Miscellaneous Provisions) Act 1976 (LG (MP) A 1976) under Section 65.

5 Financial Implication(s)

- 5.1 After an initial implementation phase, for example, responding to the consultation followed by a period of acceptance by those affected by the changes, the proposed new taxi fares are not expected to have a significant impact on the resources required to effectively manage or regulate the Taxi and Private Hire Vehicle sectors of WHBC.
- 5.2 The fares are paid directly to drivers from customers and the fares do not generate an income stream for the Council.

6. Risk Management Implications

The risks related to this proposal are:

- 6.1 By failing to permit a reasonable taxi fare structure, WHBC would run the risk of licensing a non-viable local taxi trade. If the permitted fares were too low, the taxi trade would deteriorate and possibly cease, with the associated negative impact on the local community who depend on taxis. In this void, taxis from outside of WHBC would be sought, and as these would be licensed by other authorities, this authority would have little or no regulatory control over them. If the permitted fares were too high, this would encourage passengers to seek alternative transport, which may lead to the demise of the trade licensed by this authority; again having a deleterious impact on our communities. The provisions set out in the proposed new taxi fares seek to mitigate these risks.
- 6.2 It should also be considered that should the fares be set too high this again may result in the local community seeking cheaper transport so there must be a reasonable balance, which has again been sought to be mitigated in the proposed new fares.

7.0 Security and Terrorism Implication(s)

- 7.1 There are no security and terrorism implications to report.

8.0 Procurement Implication(s)

8.1 There are no procurement implications to report.

9.0 Climate Change Implication(s)

9.1 As can be seen at paragraph 6, this report seeks to mitigate further influx of out of area drivers which may add to the vehicle emissions in the area.

10. Human Resources Implication(s)

10.1 There are no human resources implications, any changes and literature can be completed by the existing Hackney Carriage team.

11 Health and Wellbeing Implication(s)

11.1 There would be an impact on the wellbeing of drivers due to better financial stability.

11.2 Health and wellbeing of the community would be better served by local drivers rather than out of area.

12 Communication and Engagement Implication(s)

12.1 Any revised fares would need to be published correctly as per the LG (MP) A 1976 to ensure fair process.

12 Link to Corporate Priorities

12.1 The subject of this report is linked to the Council's Corporate Priorities "our council", "our environment", "our economy" and "our council" and is linked to statutory provisions under hackney carriage and equality legislation.

13 Equality and Diversity

13.1 An EqIA was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

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Date	17 June 2020

Appendices attached

Appendix 1 Current Fares table

Appendix 2 Data collection table

Appendix 3 National fares comparison table

Appendix 4 Proposed New Fares table

APPENDIX 1

Maximum Authorised Fares

(Operative as of the 1st of September 2008)

1. Mileage

- | | |
|--|--|
| A. If the distance does not exceed 900 yards (825 metres) for the whole distance
£2-50. | (a) For a hiring commenced between 11pm and 7am
+ 50% |
| B. If the Distance exceeds 900 yards (825 metres) for the first 900 yards (825metres)
£2-50 | (b) For a hiring on Sunday between 7am and midnight and between 7pm and midnight Christmas and New Years Eve
+ 50% |
| C. For each subsequent 170 yards (155 metres) or part thereof
D. 20p | (c) For hiring on any Bank Holiday, (Except Christmas and Boxing Day)
+50% |

2. Waiting Time

At a rate of 40p for each minute

3. Extra Charges

Licensed vehicles **MAY NOT** charge **Per Passenger** or rates other than those Set out in the following paragraphs

- | |
|---|
| (d) For hiring on Christmas and Boxing Day and between midnight and 7am New Years Day
+100% |
| (e) For fouling of the vehicle by Passengers or animals in their Charge
£100.00 |

COMPLAINTS CAN BE MADE TO THE HACKNEY CARRIAGE OFFICE at COUNCIL OFFICES, CAMPUS EAST, WELWYN GARDEN CITY AL8 6AE. Tel. 01707 357982

APPENDIX 2

Driver Number	Distance < in yds	Price in £	Distance > in yds	Price in £	Each Subsequent yds	Price in £	2 Mile Total in £	5 Mile Total in £	10 Mile Total in £
104	550	3.00	550	3.00	550	0.30	4.62	7.50	12.30
235	500	2.50	500	2.50	100	0.30	11.56	27.40	53.80
012			500	2.50	170	0.40	9.61	22.03	42.74
077	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
219	500	2.50	500	2.50	150	0.20	6.53	13.57	25.30
164	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
Unknown	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
007	525	2.50	525	2.50	100	0.20	8.49	19.05	36.65
100	900	3.50	900	3.50	170	0.20	6.58	12.79	23.15
006	500	2.50	500	2.50	100	0.30	11.56	27.40	53.80
113	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
Unknown	500	2.50	500	2.50	100	0.30	11.56	27.40	53.80
137	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
075	600	3.50	525	2.50	150	0.20	6.49	13.53	25.27
080	900	3.50	900	3.50	170	0.20	6.58	12.79	23.15
065			900	2.50					
099	900	3.00	900	3.00	170	0.25	6.85	14.62	27.56
020	900	3.00	900	3.00	170	0.30	7.62	16.94	32.47
085	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
016	900	3.50	900	3.50					
052	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
017	900	3.00	900	3.00	170	0.20	6.08	12.29	22.65
012	900	3.00	900	3.00	170	0.30	7.62	16.94	32.47

100	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
209	900	3.00	900	3.00	170	0.20	6.08	12.29	22.65
265	900	3.00	900	3.00	170	0.25	6.85	14.62	27.56
005	900	2.75	900	2.75	170	0.25	6.60	14.37	27.31
029	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
068	525	3.00	525	3.00	170	0.20	6.52	12.74	23.09
084	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
305	525	3.20	525	3.20	150	0.20	7.19	14.23	25.97
218									
057	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
028	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
233	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
303	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
118	900	3.00	900	3.00					
145	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
073	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
306	601	3.00	601	3.00	170	0.30	8.15	17.47	33.00
HCD293	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
158	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
091	525	3.00	525	3.00	170	0.20	6.52	12.74	23.09
039	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
189	900	3.50	900	3.50	170	0.20	6.58	12.79	23.15
205	900	2.80	900	2.80	150	0.20	6.29	13.33	25.07
046	900	3.50	900	3.50					
002	550	3.00	550	3.00	150	0.30	8.94	19.50	37.10
Unknow n	900	3.50	900	3.50	170	0.30	8.12	17.44	32.97
072	900	3.50	900	3.50	170	0.20	6.58	12.79	23.15

226	900	3.50	900	3.50					
Unknown	900	2.80	900	2.80	170	0.30	7.42	16.74	32.27
066	525	3.00	525	3.00	150	0.20	6.99	14.03	25.77
074	900	3.75	900	3.75	170	0.90	17.62	45.57	92.16
055	900	4.00	900	4.00	170	0.25	7.85	15.62	28.56
044	560	3.00	560	3.00	170	0.30	8.22	17.54	33.07
003	700	3.50	700	3.50	170	0.30	8.48	17.79	33.32
096	900	2.90	900	3.10	170	0.30	7.72	17.04	32.57
186	900	2.80	900	3.20	170	0.30	7.82	17.14	32.67
Ali	525	2.50	525	2.50	150	0.20	6.49	13.53	25.27
					Average		£ 7.60	£ 16.19	£ 30.51
					Median		£ 6.99	£ 14.03	£ 25.77

APPENDIX 3

NATIONAL TARIFFS COMPARISONS

	2 MILE FARE	LAST RISE	POSITION NATIONALLY (363)	
LONDON (HEATHROW)	£11.40	2020	1	Most expensive
LUTON AIRPORT	£9.20	2014	2	
LONDON	£8.60	2020	3	
WATFORD	£8.40	2017	4	
HERTSMERE	£7.00	2014	22	
NORTH HERTS	£6.60	2018	68	
STEVENAGE	£6.40	2017	99	
DACORUM	£6.30	2014	109	
ST ALBANS	£6.20	2014	135	
EAST HERTS	£6.10	2018	145	
LUTON	£6.00	2014	174	
WELWYN HATFIELD	£5.70	2008	244	
BEDFORD	£5.26	2013	312	
MIDDLESBOROUGH	£4.30	2012	358	Cheapest
HERTS AND BEDS				

APPENDIX 4

Maximum Authorised Fares

(Operative as of the 1st of December 2020)

1. Mileage

- A. If the distance does not exceed 525 yards (480 metres) for the whole distance £3.00
- B. If the distance exceeds 525 yards (480 metres) for the first 525 yards (480 metres) £3.00
- C. For each subsequent 150 yards (137 metres) or part thereof D. 20p

2. Waiting Time

At a rate of 40p for each minute

3. Extra Charges

Licensed vehicles **MAY NOT** charge **per** passenger or any rates other than those set out in the following paragraphs:

- (a) For a hiring commenced between 11pm and 7am **+ 50%**
- (b) For a hiring on Sunday between 7am and midnight and between 7pm and midnight Christmas and New Year's Eve **+ 50%**
- (c) For hiring on any Bank Holiday, (Except Christmas and Boxing Day) **+ 50%**
- (d) For hiring on Christmas and Boxing Day and between midnight and 7am New Year's Day **+ 100%**
- (e) For fouling of the vehicle by passengers or animals in their charge up to: **£100**

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Please note telephone calls are recorded for quality and training purposes.