

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **26 November 2024**

Report of: **Head of Environmental Health**

Subject: **REVIEW OF HACKNEY CARRIAGE TARIFF**

SUMMARY

The current Hackney Carriage (taxi) Tariff came into force in September 2022. In September this year, the Fareham Taxi & Private Hire Association approached the Licensing Team with a proposal for a tariff increase and the Licensing Team subsequently ran a consultation with Licensed Vehicle proprietors. Detail of the Association's proposal; the consultation and the responses are included within this report. The Committee is asked to consider the report and make a recommendation to the Executive regarding the appropriate level of Hackney Carriage tariff.

Once the Executive has considered the matter, their decision made will be advertised for further consultation with public. Additional responses will be considered, and the matter returned to Executive for further consideration if necessary. On initial consultation, a handful of responses from people who aren't proprietors of hackney carriage vehicles were received, they will have opportunity to be considered as part of wider public consultation as required by legislation.

RECOMMENDATION

It is recommended that the Licensing & Regulatory Affairs Committee:

- (a) considers the proposal;
- (b) considers if a change in the tariff is appropriate; and
- (c) makes a recommendation to the Executive in that respect.

INTRODUCTION

1. Private Hire and Hackney Carriage licensing is a function of the Licensing & Regulatory Affairs Committee. Hackney Carriages can be hailed in the street and work from taxi ranks across the Borough. Hackney Carriages must be fitted with a meter calibrated to the tariff set by the Council. The setting of the level of tariff is an Executive function although the Committee's view is sought to inform their decision.
2. The current tariff for Fareham Borough Council licensed Hackney Carriages was last reviewed in July 2022 and an agreed increase was implemented in September 2022.
3. In September 2024, the Fareham Taxi & Private Hire Association approach the Council's Licensing Team with a proposal for a tariff increase.
4. The current tariff rate is £3.00 for pull off and the subsequent 180 metres travelled (this is also the minimum fare). An additional 20p is then charged for each succeeding 170 metres travelled after that. A 5 km journey under the current tariff would cost £8.60. The current taxi tariff can be seen as **Appendix A**.
5. To serve as a comparison, the current tariff for Gosport, Eastleigh and Havant Borough Councils can be seen as **Appendix B**.
6. There are currently 115 Hackney Carriage vehicles licensed in the Borough, 93 licensed Hackney Carriage drivers and 49 Dual (Hackney Carriage and Private Hire) drivers.

REPORT

7. On 9th September 2024, the Council's Licensing Team met with representatives from Fareham Taxi & Private Hire Association. During this meeting, the representatives presented a proposal for a 10% increase (on a 2 mile trip) in the fares included Hackney Carriage Tariff; as well as an increase in the soilage charge included within the tariff. The proposal can be seen as **Appendix C**.
8. The Licensing Team subsequently carried out a consultation with licensed Hackney Carriage vehicle proprietors. A copy of the consultation letter circulated to the trade can be seen as **Appendix D**.
9. The consultation ran from 20th September 2024 – 11th October 2024. During the consultation period, we received 20 responses, which amounts to a 17% response rate.
10. Of those who responded to the consultation, 17 (85%) agreed with the proposal as suggested by the association, whilst 3 (15%) respondents indicated that the tariff should remain as is. A summary of the responses received, as well as the individual responses in full, can be seen as **Appendix E**.

INDICES

11. Average Weekly Earnings in real terms (adjusted for consumer price inflation and seasonality):

AWE: Whole Economy Real Terms Level (£) Seasonally Adjusted Regular Pay		
Year	Real AWE (2015) £	Real AWE (Index numbers 2015=100)
2015	454	100
2016	460	101.4
2017	458	101.2
2018	461	101.8
2019	470	103.5
2020	475	104.2
2021	487	107.8
2022	476	106
2023	477	106
2024 Q1	482	107

12. RPI All Items: Percentage change over 12 months

September 2024: 2.7% released 16th October 2024

13. Consumer price inflation is currently at 2.6%

14. Information from the Office of National Statistics states: "Overall prices in the transport division fell by 2.4% in the year to September 2024, compared with a rise of 1.2% in the year to August. This is the largest annual price fall since October 2015, when the rate was negative 2.7%. On a monthly basis, prices fell by 3.7% in September 2024 compared with a fall of 0.2% a year ago."

RISK ASSESSMENT

15. The Hackney Carriage tariff has not been increased since September 2022 and although inflation has recently reduced, the cost of living, the price of fuel, food, rent and other essentials remains high. We have seen a significant reduction in the number of applicants for Hackney Carriage Driver and Vehicle licenses in the last two years with some drivers retiring and others leaving the trade to seek more lucrative employment. The Association have been vocal about the lack of new applicants and are looking to incentivise new applicants. A further shortage of taxis in Fareham could leave vulnerable people at risk.

CONCLUSION

16. Members are asked to review the information contained above, and within the appendices, and make a recommendation to the Executive as to the appropriate level of Hackney Carriage tariff.

Appendices:

Appendix A – Current Hackney Carriage (Taxi) Tariff

Appendix B – Tariff Comparison

Appendix C – Proposal for increase from Fareham Taxi & Private Hire Association

Appendix D – Copy of consultation letter sent 20th September 2024

Appendix E – Summary & individual responses from licensed trade

Appendix F – Hackney Carriage (Taxi) Tariff as proposed by Fareham Taxi & Private Hire Association

Background Papers: None

Reference Papers: None

Enquiries:

For further information on this report please contact Ian Rickman on 01329 824773.