

Southend-on-Sea City Council

**Report of Executive Director of Neighbourhoods and
Environment**

to

Licensing Committee

On

23rd March 2022

**Agenda
Item No.**

Report prepared by:
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Temporary Taxi Fare Increase
Licensing Committee Chair: Councillor Ashley Thompson
A Part 1 Public Agenda item.

1. Purpose of Report

- 1.1 To recommend to the Committee that the fare structure of Hackney Carriages (HC) Private Hire Vehicles (PHV) be temporarily amended for a period of one year (from the date of amendment) after which it will be reviewed, or until the review of all licensing conditions is completed, in response the current fuel price emergency
- 1.2 The intention of these changes is to maintain the number of vehicles available to the public by ensuring drivers vehicles are financially viable

2. Recommendation

- 2.1 That the committee amend the fare structure of Hackney Carriages (HC) Private Hire Vehicles (PHV) to allow a temporary additional fare of 40p per trip.
- 2.2 That the committee approve the revised fare chart set out at Appendix 1
- 2.3 That any changes to the fare and extra charges' structure be duly advertised, implementing the public consultation process. Any appeals will be heard by the Licensing Committee. In the eventuality that no objections are received it is proposed that the amendment is deemed as approved without the need to return to committee. To avoid the requirement not to consult during purdah consultation will commence on 6th May 2022 or later.

3. Background

- 3.1 The Council is responsible for the regulation of Hackney Carriage (HC) and Private Hire Vehicle (PHV) licensing within the City. HC and PHV regulation seeks to protect individuals, businesses, the environment and promote public safety.
- 3.2 The Council is empowered to determine fares for Hackney Carriages. In addition, all those private hire vehicles which are equipped with a meter must also apply the same fares

- 3.3 Members agreed at Licensing Committee on 17th October 2019 that proposals for Hackney Carriage / Private Hire fare increases be approved.
- 3.4 That increase was delayed until 21st October 2021 in part because it was not able to be implemented due to the pandemic and at the request of the trade.
- 3.5 At the point of the fare last increase in 2021 the price of petrol was an average 126.2p and diesel 130.03p per litre. As of 14th March 2022, this has risen to 163.46p and 173.44p respectively. Source: The RAC
<https://www.racfoundation.org/data/uk-pump-prices-over-time>
- 3.6 Ofgem reports that the electricity cap on prices will be increased and result in a rise of around 54% in April this year. Therefore, electric vehicles will see increased costs too. A further rise is anticipated this coming October.
- 3.7 The reason for the increases in fuel cost is a combination of high inflation and the war in Ukraine.
- 3.8 There has been a decrease in the number of Hackney Carriage and Private Hire Taxis available for residents to hire, as the availability of drivers has reduced.
- 3.9 The reduction of drivers has been attributed to the pandemic, whereby the COVID related restrictions impacted on the industry to the extent that many drivers left the industry to find alternative employment. The increase in fuel prices is likely to decrease the number of drivers further if it is not addressed.

Proposed Amendments to HC and PHV fare structure

- 3.10 The intention is to make a simple temporary amendment (for one year after which it will be reviewed, or until the review of all licensing conditions is completed) that allows drivers to add a tariff of 40p to each journey they undertake.
- 3.11 This would be achieved utilising the current additional passenger meter button which adds 40p. The driver would just click an extra amount charge in the same way as they do for an extra passenger. This in turn would mean there wouldn't be a need for a tariff change or mass resetting of meters, although it will necessitate reprinting the fare charts, so customers are aware that it is a legitimate charge.

4. Other Options

- 4.1 To not amend the fare structure of Hackney Carriages (HC) Private Hire Vehicles (PHV) to allow a temporary additional fare of 40p per trip.

5. Reasons for Recommendation

- 5.1 The proposed temporary amendment will support drivers financially and maintain the availability of HC and PHV for the resident and visitor use.
- 5.2 Maintaining the number of vehicles that are available to licenced drivers provides sustainable transport to those who are unable to access public transport, and forms part of the Council's Transport Strategy.

5.3 Hackney Carriage and Private Hire services supports the commercial operation of the High Street and a thriving night-time economy.

6. Corporate Implications

6.1 Contribution to the Southend 2050 Road Map-

The provision of a well-regulated hackney carriage and private hire service contributes to the feeling of safety for individuals in the town, enabling a rapid service for exiting the town centre for those accessing the night-time economy. Hackney carriage and private hire services operate a 24-hour service and are trained in identifying and the reporting of safeguarding issues.

The hackney carriage and private hire service provides additional access to services for those who are unable to access the bus and train services supporting the Connected and Smart 2050 outcome.

6.2 Financial Implications

There are no financial implications for the Council.

6.3 Legal Implications

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 details the process for fixing of fares, which will be followed.

If no objections are made within the period specified in the notice, or if all objections made are withdrawn, the table of fares will come into operation on the date of the expiration of the period specified in the notice or the date the last objection is withdrawn, whichever date is the later.

If objection/s are made within the period specified in the notice and are not withdrawn a further date shall be set, which must be not later than 2 months after the first specified date, on which the fares come into force with or without modifications as decided by the Council after the Council has considered any objections.

6.4 People Implications

None

6.5 Property Implications

None

6.6 Consultation

Because of the fast-moving nature of the proposal there has been no consultation yet. The requirement to advertise the proposal allows for a 14-day period in which consultation responses may be made.

6.7 Equalities and Diversity Implications

An Equalities Assessment has been undertaken and will be reassessed if there are responses to the statutory consultation. There may be a slight adverse impact on those who use licenced taxi and private hire services because of the increase in cost.

6.8 Risk Assessment

The increase in fares may deter users from using licenced taxi and private hire services. However, it is anticipated that a decision to not to amend fares in this way, will likely result in a decrease in the number of HC and PH drivers and therefore less vehicles to serve the public.

6.9 Value for Money

None

6.10 Community Safety Implications

The provision of a well-regulated hackney carriage and private hire service with sufficient vehicles contributed to the Safe and Well outcome, of people feeling safe and the speedy exiting of the town centre after the night-time clubs have closed.

6.11 Environmental Impact

None

7. Background Papers

Local Government (Miscellaneous) Provisions Act 1976

8. Appendices

Appendix 1 - Revised Fare Chart