

Southend-on-Sea City Council

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

to

Licensing Committee

On

16th January 2023

Report prepared by:
Adam Penn, Regulatory Services Manager

**Agenda
Item No.**

**Reinstatement of the Temporary Taxi Fare Increase
Licensing Committee - Chair: Councillor Ashley Thompson
A Part 1 Public Agenda item.**

1. Purpose of Report

- 1.1 To recommend that the Licensing Committee consider and respond to a request from the taxi trade 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) or until a permanent fare increase is proposed by the trade, accepted by committee and implemented, whichever is sooner.
- 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 consider a request to amend the fare structure of Hackney Carriages (HC) Private Hire Vehicles (PHV) to allow an temporary additional fare of 40p per trip.
- 2.2 That if 2.1 above is approved, the committee also 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 amendments at 2.1 and 2.2 above are deemed as approved without the need to return to committee.

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 previously agreed a temporary surcharge of 40p per journey in March 2022 which was implemented in June 2022.
- 3.4 On 17th October 2022 following a formal trade request, members agreed a permanent fare increase of 40p. Drivers voted to 'add this to the yardage' meaning it would not apply to shorter journeys. This rise was implemented on 9th January 2023, and the previous temporary surcharge was removed at that point.
- 3.5 As of 14th March 2022, (the day the report for the first request for a surcharge was written) fuel had risen to 163.46p per litre for unleaded and 173.44p for diesel. Source: The RAC <https://www.racfoundation.org/data/uk-pump-prices-over-time>
- 3.6 A request to reinstate the surcharge was received on 6th December 2022, and is provided for the committee's consideration at Appendix 2. On the 8th December 2022 fuel prices were 157.8p for unleaded and 181.33p for diesel.
- 3.7 Since December 2020 this represents a rise of approx. 43p (unleaded) and 67p (diesel), although prices peaked at 190.22p and 198.46p respectively on 11th July 2022.
- 3.8 Household energy bills increased by 54% in April 2022 and were due to increase by a further 80% in October. The new Energy Price Guarantee limits the October increase to 27%, with a further increase of 20% in April 2023. Source: House of Commons Library. Therefore electric vehicles will see increased costs too.
- 3.9 The reason for the increases in fuel cost is attributed to a combination of high inflation and the war in Ukraine.
- 3.10 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.
- 3.11 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 remaining high fuel prices is likely to decrease the number of drivers further if it is not addressed.
- 3.12 **Proposed Amendments to HC and PHV fare structure**
- 3.13 The intention is to make a simple temporary amendment (for one year (from the date of amendment) or until a permanent fare increase is proposed by the trade, accepted by committee and implemented, whichever is sooner.) that allows drivers to add a tariff of 40p to each journey they undertake.
- 3.14 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 assist drivers financially and help to 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 support 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-

- 6.2 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.
- 6.3 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.

6.4 Financial Implications

- 6.5 There are no financial implications for the Council.

6.6 Legal Implications

- 6.7 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 details the process for fixing of fares, which will be followed.
- 6.8 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.

6.9 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.

6.10 People Implications

6.11 None.

6.12 Property Implications

6.13 None.

6.14 Consultation

6.15 The requirement to advertise the proposal allows for a 14-day period in which consultation responses may be made.

6.16 Equalities and Diversity Implications

6.17 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.

6.18 Risk Assessment

6.19 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.

6.20 Value for Money

6.21 None.

6.22 Community Safety Implications

6.23 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.

6.24 Environmental Impact

6.25 None.

7. Background Papers

7.1 Local Government (Miscellaneous) Provisions Act 1976.

8. Appendices

- 8.1 Appendix 1 - Revised Fare Chart;
Appendix 2 – Request from the taxi trade.

Appendix 1 - Revised Fare Chart



Authorised Fares

February 2023

Standard Rates

£3.00	For the first ¼ mile or the first 2 minutes (or a combination of parts of such distance or time)
20p	For each additional 170 yards or 48 seconds (or a combination of parts of such distance or time) until a fare of £8.80 is shown on the taxi meter
20p	For each additional 134 yards or 36 seconds (or a combination of parts of such distance or time) when a fare of £8.80 is shown on the taxi meter

NIGHT CHARGE/UNSOCIAL HOURS

For hirings begun between 9pm and midnight and 4am and 6am, also on Sundays, Bank Holidays and Public Holidays between 6am and midnight, also between 6am and midnight on 1 January and 4am until 6am on 2 January, an additional:

£1.00

For hirings from midnight until 4am, and from midnight until 6am Saturdays, Sundays and Bank Holiday Mondays, except during Christmas and New Year periods, an additional:

£2.00

CHRISTMAS CHARGES

For hirings from midnight 24 December to 6am 26 December (double the day and unsocial hours rate)

£8.00

For hirings on Boxing Day from 6am to 6am on 27 December (plus an additional 10p on the Standard Yard [Rate](#).)

£5.00

NEW YEAR CHARGES (AN ADDITIONAL)

For hirings from midnight 31 December to 6am 1 January (double standard rates and unsocial hours rate)

£8.00

Extra Charges

1. LUGGAGE

For any luggage carried. No charge for disabled persons wheelchairs, disability aids or any animal transported in the vehicle

40p

(Max Charge)

("Luggage" is intended as hand luggage, shopping bags, suitcases, etc. The driver reserves the right to negotiate an additional charge for larger items up to a maximum of £10)

2. ADDITIONAL PASSENGERS

For each person ~~in excess of~~ one

40p

LOST PROPERTY

Specific requests for the delivery of property left in taxis must be paid for at the metered fare

SOILING CHARGE

A reasonable charge may be levied for restoration costs should you soil or damage this vehicle. The proprietor reserves the right to take civil action where necessary.

3. TEMPORARY FUEL SURCHARGE

One for each hiring

40p

(Max Charge)

ANY COMPLAINTS SHOULD BE MADE TO SOUTHEND-ON-SEA CITY COUNCIL, CIVIC CENTRE, VICTORIA AVENUE, SOUTHEND ON SEA, ESSEX SS2 6ZG. COMPLAINTS CAN ALSO BE EMAILED TO hacknycarriage@southend.gov.uk THE NUMBER OF THE CAB OR DRIVER SHOULD BE QUOTED.

Appendix 2 – Request from the taxi trade.

From: jennings mark < >
Sent: 06 December 2022 18:19
To: Adam Penn < >
Cc: Elizabeth Georgeou < >; tino callaghan < >
Subject: Application for 40p fuel surcharge

Dear Licensing Committee

As trade representatives for the Southend Licensed Taxi drivers association. We would like to ask you to allow us to have back the 40p fuel surcharge that you generously gave us last year.

We are about to, or may have had by now, implement the latest fare increase, but unfortunately costs have risen so high that this latest increase has still left us with a gaping deficit.

The rising cost of electric and gas wasn't taken into consideration at the last increase, only fuel.

Now as you are only too aware the cost of gas & electric and fuel not diminishing to any kind of reasonable amounts, along with the effects these costs have on everything else, has left us once again playing catch up to try and stay in a position of solvency.

We humbly request that the 40p fuel surcharge that you allowed us to have last year be re-implemented to allow us to be able to stay at some resemblance of commercial viability until we can apply for, and go through the process of obtaining the next increase. This process does take quite some time and having this request granted would really help.

We would like this request to be applied for one calendar year, or shorter if a new fare increase is applied for under the current formula and implemented. And to be reviewed at the end of that calendar year if no fare rise has been applied.

The Private hire and taxi monthly (PHTM) tables that we use for the formula allowed for fare increases currently allows us to apply for a 80p increase. Of course, once that increase is applied for and implemented we would no longer need this fuel surcharge allowance.

Please click on the link to see the PHTM table to verify our claim.

<https://www.phtm.co.uk/newspaper/taxi-fares-league-tables>

Thank you for your time.

Mark Jennings (Secretary, Southend Licensed Taxi Drivers association)

Tino Callaghan (Chairman, Southend Licensed Taxi Drivers association)