

**Report to:** General Licensing Committee

**Date:** 11<sup>th</sup> March 2019

**Title:** Hackney Carriage Fares

**Report of:** Director of Service Delivery

**Ward(s):** All

**Purpose of report:** To consider the proposal for a Hackney Carriage fare increase proposed by the trade.

**Officer recommendation(s):** The Licensing Committee to determine the proposal to increase the fares, as set out in Table 2 and Appendix 2, and recommend the same to the PORTFOLIO HOLDER FOR PLACE SERVICE, along with the recommendation to delegate the SENIOR SPECIALIST ADVISOR to comply with the statutory process of publishing the proposal.

Or that the Committee reject the proposed increased fares, as set out in Table 2 and Appendix 2.

**Reasons for recommendations:**

- (1) Under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 the Local Authority has the power to set fares for Hackney Carriages.
- (2) Guidance advises that where the fares are set by the Local Authority, that Authority has a responsibility to review those fares to ensure they remain fair and reasonable.

**Contact Officer(s):** Name: Danielle Ball  
Post title: Specialist Adviser  
E-mail: danielle.ball@lewes-eastbourne.gov.uk  
Telephone number: 01323 415333

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## **1 Background**

- 1.1 Under section 65(1) of the Local Government (Miscellaneous Provisions) Act 1976, the Local Authority has the power to set the maximum fares for the hire of a Hackney Carriage vehicle.
- 1.2 The current fares set have been in place for 10 years and the trade has requested a review of the current fare structure. There are currently 114 licensed Hackney Carriages that are allowed to ply for hire in Eastbourne. Fares charged by Hackney Carriages cannot be more than the fare set by Eastbourne Borough Council. The council do not set the fares for private hire vehicles.

- 1.3 Following informal requests made by some Hackney Carriage proprietors all Hackney Carriage proprietors were written to on 1<sup>st</sup> February 2018 and asked to contact the Licensing team to advise if they were in favour of a fare increase. It was made clear that should more than 50 % of the trade feel an increase is appropriate then a report would be presented to General Licensing Committee. A copy of this letter is included at **Appendix 1**. The letter also requested proposals for a new fare structure.
- 1.4 The Licensing team received 86 positive responses for an increase which is a 76% return.
- 1.5 On the 1<sup>st</sup> October 2018 a fare increase proposal was presented to the General Licensing Committee. That proposal was from one proprietor and it was unknown if the proposal had the support of the majority of the trade. In addition, the Members considered that the public would be disadvantaged by the proposed increase which would have made Eastbourne the joint third most expensive Hackney Carriage fares in the country. Therefore the proposal on the 1<sup>st</sup> October 2018 was rejected and Officers were asked to consult with the trade and develop a further proposal, as below.
- 1.6 The Licensing Specialist had a meeting with 5 members of the Hackney Carriage trade who had shown an interest in shaping the new proposal. There was a discussion around producing a new fare proposal that would be favourable to the trade, members and the general public. The members of the trade were advised to get together and return a new proposal that had backing from the wider trade that could be taken to committee.

## 2 The proposal

- 2.1 A proposal for a change in fares has been received from the trade. 74 Hackney Carriage Proprietors have returned a signed copy of the new proposed increase that is outlined in Table 2, this is a 84%. The proposed fare structure and letters of support are included at **Appendix 2**.
- 2.2 The current fare card is included as **Appendix 3**, but is reproduced below along with the proposal from the trade in Table 2 for easy comparison.

Current Fare Card (Table 1)

EASTBOURNE BOROUGH COUNCIL TAXI FARE CARD						
Tariff	Time Periods and Costs	Meter at Start	Per Mile up to 5 miles	Per mile over 5 miles	Waiting time	This tariff applies to Eastbourne licensed vehicles. Payment for services must not exceed these metered rates
Rate 1	6am -11pm Mon - Sat	£2.60	£1.60	£2.00	10p for each 22 secs	
Rate 2	6am - 11pm Sunday and Bank Holidays	£3.00	£1.60	£2.00	10p for each 22 secs	
Rate 3	11pm - 6am Mon - Sun Also Christmas & New	£3.00	£1.90	£2.20	10p for each	

	Year's Eve 6pm - midnight. New Year's Day 6am - 11pm				22 secs	
Rate 4	Christmas Day - 6am 27 <sup>th</sup> Dec. New Year's Day to 6am	£5.20	£3.20	£4.00	20p for each 22 secs	
Rates 5-8	5 or more passengers	Rates 1 – 4 plus 50% (half)				
Requirement for small removal will incur a £6 surcharge in addition to the metered fare (agreed in advance)						
Fouling Vehicle £50	Transportation of domestic pets £1. No charge for registered assistance dogs					

Proposed Fare Card (Table 2)

EASTBOURNE BOROUGH COUNCIL TAXI FARE CARD						
Tariff	Time Periods and Costs	Meter at Start	Per Mile up to 5 miles	Per mile over 5 miles	Waiting time	This tariff applies to Eastbourne licensed vehicles. Payment for services must not exceed these metered rates
Rate 1	6am - 11pm Mon - Sat	£2.90 <i>(increase 30p)</i>	£2.00 <i>(increase 40p)</i>	£2.20 <i>(increase 20p)</i>	10p for each 20 secs <i>(2 secs increase)</i>	
Rate 2	6am - 11pm Sunday and Bank Holidays	£3.30 <i>(increase 30p)</i>	£2.00 <i>(increase 40p)</i>	£2.20 <i>(increase 20p)</i>	10p for each 20 secs <i>(2 secs increase)</i>	
Rate 3	11pm - 6am Mon – Sun. Also Christmas & New Year's Eve 6am – midnight. New Year's Day to 6am-11pm	£3.30 <i>(increase 30p)</i>	£2.40 <i>(increase 50p)</i>	£2.60 <i>(increase 40p)</i>	10p for each 16 secs <i>(2 secs increase)</i>	
Rate 4	Christmas Day - 6am 27 <sup>th</sup> Dec. New Year's Day to 6am	£5.80 <i>(increase 60p)</i>	£4.00 <i>(increase 80p)</i>	£4.40 <i>(increase 40p)</i>	20p for each 20 secs <i>(2 secs increase)</i>	
Rates 5-8	5 or more passengers	Rates 1 – 4 plus 50% (half)				
Requirement for small removal will incur a £8 surcharge in addition to the metered fare (agreed in advance) <b>(Increase £2)</b>						
Fouling Vehicle £60 <b>(Increase £10)</b>		Transportation of domestic pets £2. No charge for registered assistance dogs <b>(Increase £1)</b>				

2.3 The 'Table of Fares for England' published by the Private Hire and Taxi Monthly magazine published February 2019 shows that based on a two mile fare (national tariff 1) varies from £10.60 (London Heathrow) to £3.50 (South Kesteven) and Eastbourne currently at £5.70 (actually £5.80) which ranks Eastbourne at 215 (198) of 366 councils.

2.4 Other East Sussex Authorities are shown on the Table of Fares for England as follows.

<b>Authority</b>	<b>2 Mile Fare</b>	<b>Ranking</b>
Eastbourne	£5.70	215
Hastings	£6.10	132
Lewes	£6.30	97
Rother	£6.70	47
Wealden	£6.90	23
Average	£6.34	-

2.5 The proposal would place Eastbourne with a ranking of joint 23<sup>rd</sup> at £6.90 in England and level with bordering neighbour Wealden as equal highest fare for East Sussex.

### **Options**

- 2.6 1. The Committee agree the proposal to increase the fares, as set out in Table 2 and Appendix 2, and recommend the same to the CABINET PORTFOLIO HOLDER FOR PLACE SERVICES, along with the recommendation to delegate the SENIOR SPECIALIST ADVISOR to comply with the statutory process of publishing the proposal, or.  
2. That the Committee reject the proposed increased fares, as set out in Table 2 and Appendix 2.

### **3 Financial appraisal**

3.1 This consultation has no direct financial implications. Any subsequent cost of advertising the amended 'Table of Fares' in a local newspaper will be taken from funds already reserved in the Taxi Licensing Budget.

### **4 Legal implications**

4.1 The Local Government (Miscellaneous Provisions) Act 1976 ("the 1976 Act") allows the Council to set the maximum fares and costs for hackney carriages. In this contest the Council means the Executive by virtue of The Local Authorities (Functions and Responsibilities) Regulations 2000 (as amended).

4.2 Under section 65(2) 1976 Act when the Council decides to vary the hackney carriage fares it must publish a notice in a local newspaper stating the proposed new fares and give at least 14 days for any objections to be made. If there are objections the Council must consider them before deciding whether to confirm or modify the proposed fares. If there are no objections the new fares can be brought into force at the end of the objection period. If the Council varies the proposed fares following any objections made within the period it then sets a second date, which cannot be more than two months after the first date specified, when the new fares come into force.

4.3 This Report was considered by the Council's Legal Section on 28 February 2019 (IKEN-8100-MW).

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**Appendices**

- Appendix 1 – Letter to Hackney Proprietors
- Appendix 2 – Proposed Fare Card from the Trade and the letters of support
- Appendix 3 – Current Fare Card

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**Background papers**

None.