

Report to the Cabinet

Report reference: ***C-024-2023/24***

Date of meeting: ***09 October 2023***



**Epping Forest
District Council**

Portfolio: **Councillor Ken Williamson Regulatory & Technical Services**

Subject: **Taxi Tariff**

Responsible Officer: **David King (dking@eppingforestdc.gov.uk)**

**Democratic Services
Officer:** **V Messenger (democraticservices@eppingforestdc.gov.uk)**

Recommendations/Decisions Required:

- (1) Cabinet agrees a 28-day public consultation on the proposed taxi tariff.
- (2) Cabinet agrees that where no objections are made, the proposed taxi tariff be implemented on the date specified in the public notice.
- (3) Cabinet agrees that where objections are made, it will reconsider the proposal in light of those objections within 2 months of the date specified in the public notice.

Executive Summary:

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permits Licensing Authorities to set the fares tariff for Hackney carriages (taxis) licensed in the district. The tariff sets the maximum fares that taxis can charge the public when using their vehicles.

The current fee tariff was agreed in 2014. All changes to the hackney carriage tariff table in use in Epping Forest District Council must be approved by the Executive.

The legislation requires that before any alteration to the tariff table can take effect, a public notice explaining the changes must be placed in a local newspaper. The public then must be provided with a period of at least 14 days to make comment on the proposals.

If no adverse comment/objection is received the approved changes must take effect. Alternatively, if adverse comment/objection is received then the matter must be returned to allow the Executive to consider the representation(s).

Reasons for Proposed Decision:

The current fee tariff was agreed in 2014 and was last reviewed in 2018 however, no increase was agreed. The tariff was scheduled to be reviewed as part of the wider taxi policy review however, due to fuel and cost of living increases, it has been necessary to bring that review forward to support our licensed taxi trade and ensure that it remains sustainable.

Other Options for Action:

The Council does not have to increase the tariff table however, if the charging mechanism does not allow the trade to cover costs and provide an adequate salary for drivers, it is likely that the number of Hackney Carriage vehicles available to the public will continue to reduce as people leave the trade or trade elsewhere.

Having a properly resourced taxi trade with an appropriate tariff table would mean that the taxi trade remains economically stable, thereby attracting new drivers into the trade to continue and improve this vital public transport and this benefits both the trade and the public.

Report:

- Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976, any charge made by a Hackney carriage, must not exceed the table of fares published by the licensing authority, irrespective of how that journey was arranged (from a rank or street, being hailed or pre-booking the journey).
- The current tariff table was agreed in 2014 and was last reviewed in 2018 however, no increase was agreed. Benchmarking in August 2022 showed that based on an average 2-mile fare, Epping Forest District Councils tariff is the lowest in Essex and we were ranked 310th lowest nationwide out of 355 Councils. Due to fuel and cost of living increases, it has now become necessary to review the current tariff table to support our licensed taxi trade.

Council	2 Mile Fare	Essex Ranking	National Ranking
Uttlesford	£8.30	1	9
Chelmsford	£7.10	2	24
Colchester	£6.90	3	40
Brentwood	£6.60	4	71
Harlow	£6.60	4	76
Basildon	£6.40	5	96
Tendering	£6.40	5	119
Southend on Sea	£6.40	5	116
Braintree	£6.20	6	140
Rochford	£6.20	6	151
Thurrock	£6.00	7	199
Castle Point	£6.00	7	178
Epping Forest	£5.50	8	310
Maldon	negotiate individual fares	Unknown	Unknown

- The current tariff is as follows:

	Minimum daytime fare for up to 1 mile	Each additional unit of 176 yards (160.9m) or part thereof	Average 2-mile journey
Rate 1 - hiring between 6am & 10pm Mon to Sat	£3.50	£0.20 (£2.00 per mile)	£5.50
Rate 2 - hiring between 10pm and 6am Mon to Fri	£3.70	£0.30 (£3.00 per mile)	£6.70
Rate 3 - hiring on Christmas Day, Boxing Day, New Year's Day and after 18.00 on Christmas Eve and New Year's Eve	£4.10	£0.40 (£4.00 per mile)	£8.10
Rate 4 – hiring on Christmas Day, Boxing Day, New Year's Day and after 18.00 on Christmas Eve and New Year's Eve	£5.50	£0.50 (£5.00 per mile)	£10.50

- Rate 1 - up to 4 passengers, minimum daytime fare is £3.50 for up to 1 mile, thereafter, charged at a rate of £2.00 per mile in 20p increments.
- Rate 2 - can be used as a night/Sunday rate – or – if a multi-seater vehicle carrying in excess of 4 passengers during daytime.
- Rate 3 - double fare commonly used at Christmas/New Year holiday period or when a multi-seater vehicle carrying in excess of 4/6 passengers during night-time/Sunday hour.
- Rate 4 only to be used by vehicles carrying 6/8 passengers on public holidays.

Additional Charges

- Waiting time is £18.00 per hour, in 20p increments (90 x 20 second periods = 1 hr i.e., 3600 seconds)
 - Assistance Dogs – No additional Charge
 - All other dogs, carried at drivers' discretion – No charge
 - Fouling of vehicle at the discretion of driver, up to £70.00
4. At a meeting of the Councils Licensing Committee on 1st November 2022, the Committee were asked to consider 4 taxi tariff increase options. The Licensing Committee agreed to endorse option 3 below.
5. Before any published fares can be increased the Council must undertake consultation with the trade and public consultation by way of placing a public notice in a local newspaper. The consultation period must last no less than 14 days, however it is recommended that the consultation period is 28 days to allow for the proposal to be properly considered and sufficient time for responses to be made.

Option 3

Increase tariff for the first 1760 yards (1 mile) across tariffs rates 1,2,3 and 4 by £1.00 and by £0.30 for each additional unit of 176 yards or part thereof or period of 40 seconds.

	Minimum daytime fare for up to 1 mile	Each additional unit of 176 yards (160.9m) or part thereof	Average 2-mile journey
Rate 1 - hiring between 6am & 10pm Mon to Sat	£4.50	£0.30 (£3.00 per mile)	£7.50
Rate 2 - hiring between 10pm & 6am Mon to Fri	£4.70	£0.40 (£4.00 per mile)	£8.70
Rate 3 - hiring on Christmas, Boxing & New Year's Day and after 6pm on Christmas & New Year's Eve	£5.10	£0.50 (£5.00 per mile)	£10.10
Rate 4 – hiring on Christmas, Boxing & New Year's Day and after 6pm on Christmas and New Year's Eve	£6.50	£0.60 (£6.00 per mile)	£12.50

Summary of above charges

- Rate 1 Up to 4 passengers, minimum daytime fare is £4.50 for up to 1 mile, thereafter, charged at a rate of £3.00 per mile in 30p increments.
- Rate 2 can be used as a night/Sunday rate – or – if a multi-seater vehicle carrying in excess of 4 passengers during daytime.
- Rate 3 double fare commonly used at Christmas/New Year holiday period or when a multi-seater vehicle carrying in excess of 4/6 passengers during night-time/Sunday hour.
- Rate 4 only to be used by vehicles carrying 6/8 passengers on public holidays.

Additional Charges

- Waiting time is £27.00 per hour, in 30p increments (90 x 40 second periods = 1 hr i.e., 3600 seconds)
- Assistance Dogs – No additional Charge
- All other dogs, carried at drivers' discretion – No charge.
- Fouling of vehicle at the discretion of driver, up to £80.00

This option would make EFDC tariff 4th highest in Essex per 2-mile trip.

Scrutiny Comments

Limited informal consultation with the trade has been undertaken and a report has been considered by the Councils Licensing Committee and option 3 has been endorsed. If Cabinet agree this proposal, further public consultation will be undertaken and it is proposed that we extend the minimum 14-day consultation period to 28 days, to allow for the proposal to be properly considered and sufficient time for responses to be made.

Resource Implications:

Hackney Carriages are fitted with taxi meters to calculate the appropriate fare. If the fare table changes, meters will require updating by a meter agent and this cost is payable directly to the agent by the driver.

However, costs will be incurred by the Councils Licensing Team in assisting this process and by Fleet when resealing the meters. It is anticipated that the process will take 2-3 days however, the legislation does not permit a recharge to the driver for this function, therefore the Council will have to absorb these costs.

The Licensing Team will also incur costs associated with publishing a public notice in Epping Forest Guardian on 1 occasion advertising the proposal. This cost will vary dependant on the size of the notice required and a quote will need to be obtained.

Legal and Governance Implications:

The Council has the power under S65 Local Government Miscellaneous Provisions Act 1976 to regulate Hackney Carriage fares, and all other charges in connection with the hire of the vehicle.

When a district Council makes or varies a table of fares, it must publish a notice in at least one local newspaper and at the Council Offices, setting out the proposed table of fares and the date on which the table of fares shall come into operation. The notice must also specify the period and manner in which objections can be made.

The consultation period must not be less than 14 days from the first date of publication of the notice however, it is proposed that we extend the minimum 14-day consultation period to 28 days, to allow for the proposal to be properly considered and sufficient time for responses to be made.

If no objection is made, the table of fares will come into operation on the date stated in the notice however, where objections are received and not withdrawn, the Council must set a further date, no later than two months after the date specified in the notice, on which the table of fares shall come into force. The Council may modify the table of fares in light of objections received, but it does not have to.

The setting of Hackney carriage fares is a function of the Executive and therefore cannot be undertaken by a regulatory committee or full Council and Once the revised table of fares comes into operation, any table of fares previously agreed will cease to have effect.

Safer, Cleaner and Greener Implications:

As part of the Councils Sustainable Transport Agenda and meeting the Councils climate change objectives, one of the aims is increase the provision of electric charging points and to encourage taxi drivers towards use of electric vehicles (EV) in the district.

Switching to EV is in many ways ideal for the taxi and minicab trade – high local mileage, lower running, and maintenance costs, improved reliability, proven in the London market (black cab and minicab/Uber).

However, whilst there are undoubtedly a number of incentives to make this switch, a recent survey with Epping Forest local taxi trade shows that there are very few EV minicabs operating in our district and there are a number of barriers to switching to greener vehicles. Key findings of the survey highlighted:

- Average age of taxi fleet is 8.6 years, with 38% of vehicles being over 10 years old
- 18% of vehicles would incur current A406 ULEZ charge* (or any possible CAZ equivalent based on same)
- Whilst non-plug-in hybrid vehicles are common (36%), diesel is the fuel of choice for 51% and plug-in hybrid and EV are almost non-existent.
- Almost all vehicles are kept at home overnight, but 56% have no viable way to charge at home (this appears higher than the general population where 36% of local homes are estimated to have no off-street parking).
- Even pre-Covid, 80% of drivers were doing average daily mileages well within the range of a modern EV in a fully charged state although the typical “very busy” day pre-Covid would have likely meant a top-up charge during the day for around 45%
- A quarter had considered or are considering switching to EV
- Across all respondents, the main benefits of EV were seen as: low running and maintenance costs, high reliability, and avoidance of ULEZ type charges.
- The main barriers to adoption were unaffordable initial acquisition costs, lack of public charging points and range anxiety.
- If a way were found to soften the blow of upfront cost, the % prepared to switch to EV increased to 30% with a further 30% unsure.

It is clear from the survey that we are operating with a high emission fleet and the high perceived upfront costs of switching to EV along with lack of charging points is a barrier. However, if the taxi tariff were to increase along with the other financial incentives, the transfer to EV would be more affordable and it is likely that we will see an increase within the local taxi trade.

Consultation Undertaken:

Informal consultation has been undertaken with the trade however, it was limited to those who had previously contacted the Council to request an increase. The purpose of the consultation was to make the process was to invite Epping Forest taxi trade’s view on what would be considered an acceptable tariff going forward.

Whilst there is undoubtedly unanimous agreement within the trade that the current fee is far too low, we received little constructive feedback in terms of what that increase should be. However, one response received suggested that the rate should be increased as follows:

- Day rate - from £3.50 to £5 for the first mile or part thereof and an increase from £0.20 to £0.30 for each additional unit of 176 yards or part thereof.
- Night rate – from £3.70 to £5.50 for the first mile or part thereof and £0.30 for each additional

unit of 176 yards or part thereof to remain unchanged.

This would increase the average 2-mile journey fare to £8.00 from the current £5.50 (daytime) and to £8.50 from £6.70 between 10pm & 6am. This would make Epping Forest District Councils tariff the third highest in Essex.

At a meeting of the Councils Licensing Committee on 1st November 2022, the Committee were asked to consider 4 taxi tariff increase options. The Licensing Committee agreed to endorse option 3.

If Cabinet agree this proposal, further public consultation will be undertaken.

Background Papers:

Licensing Committee Taxi Tariff Report & Minutes

EFDC licensed minicab & taxi Survey/Taxi and EV update SLJ

Risk Management:

It is likely that the Council will receive opposition from members of the public to the proposal to increase the fare tariff table however, the proposal will be subject to consultation by way of a public notice being placed in the Epping Forest Guardian and at the Civic Office.

The statutory consultation period must not be less than 14 days from the first date of publication of the notice however, it is proposed that we extend the minimum 14-day consultation period to 28 days, to allow for the proposal to be properly considered and sufficient time for responses to be made.

Where objections are received Cabinet will consider concerns raised and determine whether to agree the proposal, modify the proposal or to refuse the increase.

Currently there are 212 taxi drivers licensed by Epping Forest District Council however, it should be noted that this does not necessarily mean that all 212 licence holders are active. A number of these drivers may no longer be active but have not surrendered their licence.

This is an overall reduction of 17% since 2020 and the Councils Licensing Team have received enquiries from operators who are unable to attract new and replacement drivers. If the current fare tariff table is not increased, it is anticipated that the number of Hackney Carriage vehicles available to the public will continue to reduce as people leave the trade or apply to trade in other districts where the tariff is higher. This would be to the detriment of both the trade and Epping Forest residents.

Equality:

An Equality Impact Assessment was carried out and there is a low to medium impact. Hackney Carriage drivers will benefit from increased income, which will allow them to cover the costs of delivering the service. If the charging mechanism does not allow the trade to cover costs and provide an adequate salary for drivers, it is likely that the number of Hackney Carriage vehicles available to the public will continue to reduce as people leave the trade or trade elsewhere.

Having an adequate number of Hackney Carriages is vital for the travelling public and when setting fares, the Council has to balance any increase of fares against the needs of the travelling public.

However, a properly resourced taxi trade with an appropriate tariff table would mean that the taxi trade remains economically stable, thereby attracting new drivers into the trade to continue and improve this vital public transport and this benefits both the trade and the public.

Whilst there is no evidence to suggest that the proposed increase would have a negative impact on a particular characteristic, it is accepted that wheelchair users and disabled persons are statistically more likely to use taxis than persons who do not identify themselves as disabled.

Surveys conducted by the Department for Transport have also identified that young adults and elderly persons are more likely than other age groups to use taxis on a regular basis.

As such a rise in the tariff table may impact on these groups more economically and price rises may lead to taxis becoming less affordable and as such increase the risk of social exclusion amongst those who rely on or regularly use taxis for their transport needs.

The proposed increase will be subject to public consultation, and should objections be received the matter referred to Cabinet for further consideration. It should also be noted that the tariff table sets a maximum fare, it is permissible for drivers to agree a lesser fare with regular customers should they wish to do so.