

Wiltshire Council

Licensing Committee

27 January 2020

Proposed Changes to Wiltshire Council's Hackney Carriage Tariff and Fee Structure

Executive Summary

Wiltshire Council has a statutory responsibility under the Town Police Clauses Act 1847, the Local Government (Miscellaneous Provisions) Act 1976 and the Transport Act 1985 to licence and oversee hackney carriage and private hire services. Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976 the council also has the power to set the maximum fee levels that can be charged by licensed hackney carriage vehicles and the times at which these can be charged, these are known as tariffs.

The current schedule of fees and tariffs has been in place since 2015 with no change.

There have been discussions on the level of taxi fares over the last 2 years, which led to a task group being established by the Environment Select Committee on 26 June 2018 to review the late-night taxi tariffs. This followed a request from the Cabinet Member for Adult Social Care, Public Health and Public Protection for a scrutiny review of the current schedule of late-night tariffs for Hackney Carriages as adopted by the Licensing Committee in 2015.

As a result of this work the Local Authority Working Group was formed in May 2019 which resulted in the reintroduction of regular trade representative meetings between the Taxi Licensing Team and the trade.

Trade representatives represent the North, South East and West areas of the County were encouraged at a trade representatives meeting on 10 June 2019 to provide a proposal to Wiltshire Council for a revised schedule of fees and tariffs that benefit the industry and service provision in Wiltshire. This pre-consultation with the trade was to facilitate a proposal that could be put to the trade and public for public consultation. A deadline for trade representative proposals of 31 December 2019 was set.

The Council has also engaged with the late-night economy, including the Pub Watch Group, which has worked with local taxi operators to provide a proposal for change that supports the views of drivers in other areas.

The taxi licensing team are aware that different areas of the County have differing points of view. Wiltshire Council have committed to providing all drivers with a copy of the proposed changes to the fees and tariffs in January 2020 for consultation and feedback.

Following trade representative and operator feedback the taxi licensing team have proposed changes to the proposed current fees and tariffs schedule that it

would like the Licensing Committee to approve in order that a public consultation can be undertaken.

Proposal

It is proposed that the Licensing Committee, considers and approves that a public consultation take place on Wiltshire Council's revised Hackney Carriage Fees and Tariffs schedule, detailed in Appendix A. Subject to the results of the consultation it is also proposed that in the event of no significant objections that the power to implement the revised schedule be delegated to officers. Significant objections would be defined as those which change the rates charged by more than 10% or changes to the proposed tariff implementation or finish times greater than one hour.

In summary, the proposed changes include an increase in the flag rate, and changes to the timings at which the various tariffs apply.

The proposed changes include:

For Vehicles up to four seats

1. An additional 30p to be added to all flag rates (standing charge)
2. Tariff 3, be amended to only apply on Bank Holidays, Christmas Day, Boxing Day, New Year's Day and Easter Sunday.
3. Tariff 2, be implemented from 22:00 instead of the current 22:30 and apply all day every day.
4. Tariff 1, to end at 21:59 instead of 22:29.

For Vehicles with more than four seats carrying more than four passengers

5. Tariff 5, be amended to only apply on Bank Holidays, Christmas Day, Boxing Day, New Year's Day and Easter Sunday.
6. Tariff 4, be implemented from 22:00 instead of the current 22:30 and apply all day every day.
7. Tariff 2, to end at 21:59 instead of 22:29.

If approved by the Licensing Committee the proposed changes will be subject to public consultation and having been considered by officers, if approved, will be implemented by summer 2020.

Reasons for Proposal

- To ensure that residents and visitors travelling in Wiltshire pay fare rates that are appropriate and encourage the use of hackney carriage vehicles.
- To increase the number of journeys undertaken to utilise the Counties late night economy
- To safeguard individuals and ensure travel by taxi is affordable, reduce the number of people walking home.

- To ensure hackney carriage charges in Wiltshire are comparable to our nearest neighbours, encouraging more visits in Wiltshire to boost our local economies.

Parvis Khansari
Director, Highways, Transport & Waste

Proposed Changes to Wiltshire Council's Hackney Carriage Tariff and Fee Structure

1.0 Purpose of Report

- 1.1 To provide Wiltshire Council's Licensing Committee with the relevant information to make an informed decision on the proposed public consultation on a revised schedule of fees and tariffs for hackney carriages operating from taxi ranks only in Wiltshire.

2.0 Background

- 2.1 Wiltshire Council has a statutory responsibility under the Town Police Clauses Act 1847, the Local Government (Miscellaneous Provisions) Act 1976 and the Transport Act 1985 to licence the hackney carriage and private hire services. Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976 the council also has the power to set the maximum fee levels that can be charged by licensed hackney carriage vehicles and the times at which these can be charges, these are known as tariffs.
- 2.2 The current schedule of fees and tariffs has been in place since 2015 with no change. It should be noted that the schedule only applies to hackney carriages operating from a rank. **The Council has no control over prices that may be charged by Private Hire vehicles.** Any private hire fare is an agreement between the driver and customer. At present there are 668 licensed hackney carriage vehicles that operate in Wiltshire and 862 licensed hackney carriage drivers. The schedule of fees does not apply to private hire drivers or vehicles, at present there are 272 licensed private hire only vehicles which represent 29% of all licensed vehicles and 178 licensed private hire only drivers which represent 17% of all licensed drivers.
- 2.3 There have been discussions on the level of fares over the last 2 years as the perception is that there is a higher fare rate at night which may be deterring visitors to Wiltshire's Towns. This led to a Late-Night Taxi task group being established by the Environment Select Committee on 26 June 2018 to review the late-night taxi tariffs. As a result of this work the Local Authority Working Group was established in May 2019 and resulted in regular trader representative meetings being reintroduced.
- 2.4 The **current** schedule of fees and charges is shown below, **it should be noted that the tariff only shows the maximum fee that can be charged. A driver / operator is able to make a business decision to accept a lower fee to secure a fare.**

Current Schedule of fees & charges.

**Wiltshire Council hackney carriage,
maximum table of fares (North, South, East &
West Zones)**

For journeys starting	Vehicles up to four seats	Vehicles with more than four seats carrying more than four passengers
6 am – 10:29 pm	Tariff 1	Tariff 2
10:30pm – 02:29 am and Sundays, Bank Holidays, Public Holidays and Easter Sunday and after 8pm Christmas Eve & New Years Eve	Tariff 2	Tariff 4
2:30 am – 5:59 am and all day on 25 December, 26 December and 1 January	Tariff 3	Tariff 5

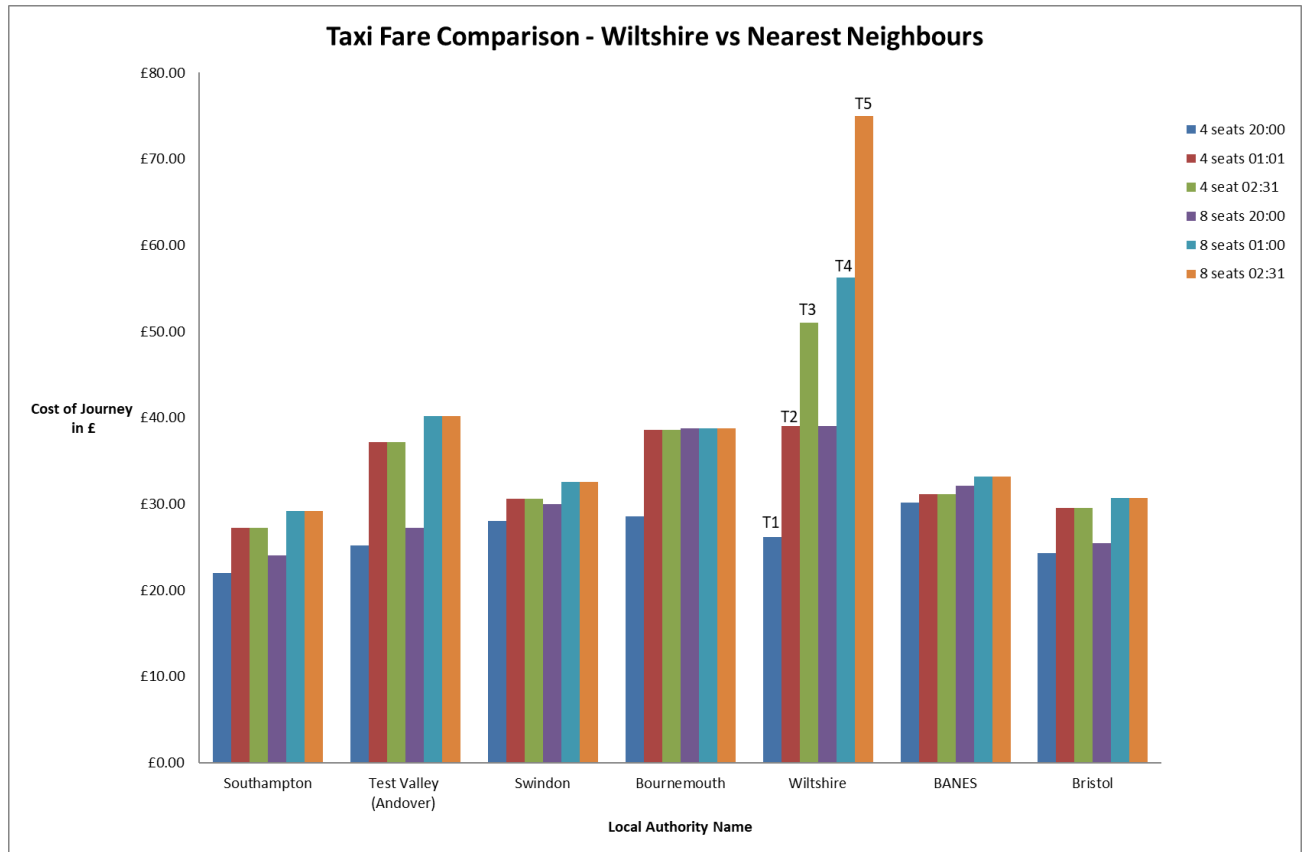
	Tariff 1	Tariff 2	Tariff 3	Tariff 4	Tariff 5
Journeys up to 176 yards, 1/10 Mile	£3.20	£4.50	£5	£4.50	£6
Subsequent 176 yards, 1/10 Mile	20p	30p	40p	45p	60p
Waiting time per minute	20p	30p	40p	45p	60p
Minimum fouling charge	£100	£100	£100	£100	£100

Hackney Carriages are regulated by Wiltshire Council.
In case of a complaint regarding this vehicle or its driver, please
Contact : Fleet, Wiltshire Council, County Hall, Bythesea Road,
Trowbridge BA14 8JN
e-mail : fleet.licensing@wiltshire.gov.uk. Telephone No 01225 770271

8 May 2015



- 2.5 Research by the taxi licensing team has shown fees in Wiltshire to be higher than those of Local Authorities in the South West, especially late at night. The graph below shows a comparison of prices for an 11.6 mile journey with some of our neighbouring authorities.



- 2.6 At present the County of Wiltshire is still split into four zones, North, South East & West. Feedback from the East & West zones indicates there be no change to the current fees & tariffs schedule. Feedback from the North & South indicates both areas agree that a change to tariff 3 is required, thus influencing the use of tariff 2. On 10 June 2019 Trader Representatives from all areas were encouraged to put forward a proposal to Wiltshire Council for a revised fees and tariff schedule that worked for the industry and could be fully consulted on. A deadline of 31 December 2019 was set for receipt of proposals.
- 2.7 The current schedule of fees has not changed since 2015, at this point fares across the County of Wiltshire rose. The South area had to take on tariff 3 at 2.30am and tariffs 4 & 5, they previously only worked on 2 tariffs with tariff 3 only for Christmas Day. The flag rates from the South were adopted by the other areas in the County resulting in increased prices across the North, West and East areas. The pre-2015 tariffs are attached as appendix B. It should be noted that there will be a small cost to each driver to update their meters should any changes be approved. The cost is in the region of £20 per driver.
- 2.8 The number of drivers and vehicles licensed in Wiltshire is not limited in any way and remains subject to market forces with supply and demand left to dictate numbers.

Taxi Tariff Proposals

- 2.9 As of 31 December 2019 a number of proposals in relation to the fees and tariffs schedule had been received from the industry. The taxi licensing team have reviewed these and put forward a consolidated, balanced proposal for review and for public consultation. A list of the various proposals and their source is shown below;

Taxi Tariff Proposals Received December 2019			
Proposal	Representative/Operator	No of Drivers Supporting	% of HC Drivers (862 - 31/12/19)
1. 20/40p on all flag rates - tariffs 1 to 5	North Representative (58)	39 - 20/40p, and 19 want 50p	7%
2. Tariff 2 to come in at 9.30pm and finish at 06:59	North Representative (68)	68	8%
3. Tariff 2 to come in at 11pm	South - Value Cars (65),	65	8%
4. Tariff 2 to come in at 10.30pm as now	South - 777777 (50),	50	6%
5. Amend Tariff 1 start time to 06:59 from 6am	North Representative (49)	49	6%
6. Tariff 3 to be used only on Bank Holidays, Christmas, and New Year	North Representative (68)	68	8%
7. Tariff 3 to be used only on Christmas, and New Year, Tariff 2 to be used on Bank Holidays	South Representative, South - 777777 (50) Value Cars (65)	115	13%
8. No Change	A & D Taxis - West (60), Devizes Taxis - East (5)	65	8%
9. Tariff 2 to start at 11pm and tariff 3 to come in at 2pm	Starline Taxis - West		
10. Remove Tariffs 3, 4 & 5 altogether	South Representative (40)	40	5%

2.10 A total of 133 drivers support an amendment to tariff 3 so it can only be used on bank holidays, Christmas Day, Boxing Day and New Years Day. This represents 15% of all hackney carriage drivers.

2.11 Proposed changes to the timings of tariff 2 to bring it in earlier at 22:00 instead of 22:30 are supported by 68 drivers representing 8% of all hackney carriage drivers.

2.13 The increase of 30p to all standing charges (flag rates) is supported by 58 drivers or 7% of drivers.

2.14 Any proposed change to the fees and tariff schedule will require a public consultation as well as extensive consultation with the industry.

2.15 The taxi licensing team are also working on a number of other initiatives such as CCTV in taxis, a star rating scheme for taxis, language requirements, vehicle requirements, impact on air quality and the level of wheelchair accessible vehicles. The team are currently awaiting the results of the national consultation on taxis which ended on 22 April 2019, from which central government will be publishing guidance on taxi licensing for all local authorities.

3.0 Relevance to the Council's Business Plan

3.1 The process of controlling and licensing hackney carriage and private hire licensees assists the council in achieving a number of the outcomes in the Business Plan 2017-2027. Adoption of an updated schedule of fees and charges would assist these outcomes by:

- **Growing the economy** – reduced cost of hackney carriage journeys which may drive up the number of users in Wiltshire ensuring that the public utilise this transport means and access good and services throughout Wiltshire.
- **Building strong communities** - That all members of the public feel safe, can afford the service, and are less inclined to walk home or put themselves at risk.
- **Protecting those who are most vulnerable** - ensuring that the council has robust checks in place to ensure licensed vehicles are

available at a cost-effective rate when required, any time of the day or night.

4.0 Main Considerations for the Council

- 4.1 Licensing authorities must ensure that any fees and tariffs schedule is sustainable for the industry and that service provision within the County is maintained. The Council has sought feedback from the industry on the proposals to ensure that any changes have majority industry buy in.
- 4.2 The Council has consulted with the trade representatives on the proposed changes however it recognises it will never achieve 100% consensus. The different geographical areas have different views and negative press coverage may result from any proposed change to fees and tariffs as they have a direct impact on driver and operator livelihoods.
- 4.3 Wiltshire Council believes a reduction in cost will increase the number of journeys undertaken by hackney carriage and in the long-term increase income for operators/drivers. This view may not be shared by all drivers. The proposal will be shared with drivers in January 2020 with the aim of working with all drivers to arrive at a final, industry agreed, solution.
- 4.4 The below table demonstrates the impact of the proposed changes.

Journey – 4 Seat Vehicle	Cost Current Schedule	Cost Revised Schedule	Difference - £	% Change
Trowbridge to Devizes 13 Miles at 22:00	£29	£43.50	14.50	50%
Devizes to Trowbridge - 13 Miles at 02:30	£56.60	43.50	-13.10	-23%
Bulford Camp to Salisbury - 12 miles at 21:00	£27.00	£27.30	0.30	1%
Bulford Camp to Salisbury - 12 miles at 22:00	£27.00	£40.50	13.50	50%
Salisbury to Bulford Camp - 12 miles at 13:00	£40.20	£40.50	0.30	1%
Salisbury to Bulford Camp - 12 miles at 14:30	£52.60	£40.50	-12.10	-23%

The proposed changes reduce the cost of travelling between 2.30am and 6.59am, however any change to tariff 2 will make travel between 10pm and 10:29 much more expensive than it is at present. This is because the uplift between tariff 1 and 2 is 50%, this is the greatest uplift of all tariffs. The Council has considered the changes proposed to tariff 1 but feels it may be detrimental to shift workers, commuters during early morning therefore not change to the start time of tariff 1 has been proposed. It is acknowledged that the earlier introduction of tariff 2 at 22:00 may affect shift workers but the Council believe 22:00 represents a balanced time in light of the various proposals put forward.

- 4.5 Many of the issues around tariffs and drivers abusing the current schedule are down to limited enforcement by Wiltshire Council in the past. The Taxi Licensing team have undergone a restructure in October 2019 and a proactive enforcement plan is now in place with two officers enforcing on ranks across the County. In the first 5 weeks in excess of 100 drivers and 130 vehicles were inspected on the rank.
- 4.6 The Council has no legal obligation to review taxi fares. Where there is a request review fares & tariffs from the industry, backed by evidence the Council will undertake a review, subject to approval from the Council's Licensing Committee.

5.0 Safeguarding Implications

- 5.1 When assessing tariffs and fee levels for all hackney carriages failure to have fees at an affordable level may lead to vulnerable people walking home after a night out and placing themselves at risk. It is hoped the relaxation of tariff 3, making taxi travel cheaper, will encourage more people to use taxis to get to their homes or destinations safely.

6.0 Public Health implications

- 6.1 An affordable taxi service allows vulnerable people in Wiltshire to safely use appropriate transport during daytime and at night. If the service is affordable more people are likely to use it.

7.0 Corporate Procurement implications

- 7.1 There are no direct procurement implications arising from this report.

8.0 Environmental and Climate Change Considerations

- 8.1 Reducing the cost of travel by taxi will encourage more people to utilise taxis. Whilst it is acknowledged that increased taxi journeys may result in higher levels of carbon emissions it is also hoped that where four people share a taxi this could potentially stop four independent car journeys and have a positive overall impact on the environment. Should taxi use increase significantly the taxi licensing team may include more stringent emissions tests for taxis within their guidelines.

9.0 Equalities Impact of the Proposal

- 9.1 The impact of these proposals is assessed as 'medium' against the council's statutory responsibilities. The Council has worked with the industry to formulate to proposal and it has the buy in of the majority of industry participants. The adoption of a new schedule of fees and tariffs will ensure a fair and consistent approach across Wiltshire and bring Wiltshire in line with the cost levels in other local authority areas.

10.0 Risk Assessment

Risks officers consider may arise if the proposed decision and related work is not taken:

- 10.1 There may be a greater risk of vulnerable people walking home late at night and potentially putting themselves in danger.
- 10.2 The overriding principle of licensing is the protection of members of the public. If the taxi service is deemed too expensive usage will drop. Wiltshire Council would encourage people to use licensed drivers who have been properly vetted.
- 10.3 Lack of business due to perceived expense may result in a reduction in the number of drivers and vehicles, reducing service provision.

Risks that may arise if the proposed decision is taken and actions to mitigate these risks

- 10.4 There may be existing licensees that do not support the proposals and see them as a reduction to their income. The Council has worked with the industry derive the proposal and as such believes the majority of the industry support it. All drivers will be provided with an opportunity to comment on the proposals during the public consultation which commences January 2020.
- 10.5 There is the possibility that the removal of tariff 3 makes the industry unsustainable for some leading to people leaving the industry and a reduction in service levels. The Council believes that slightly reduced costs will encourage the public to utilise the service more resulting in increased journey numbers and higher levels of income in the long term.
- 10.6 There is a risk of negative press coverage as a result of drivers who do not support the change and see it as an attack on their livelihoods. Any proposals will never gain 100% support from over 1100 drivers and operators. The Council will put forward a proposal representing feedback from a majority of drivers.

11.0 Financial Implications

- 11.1 There are additional costs (for example advertising) associated with the implementation of a new schedule of fees and charges. There is currently no budget to support this, but it is expected that it can be financed in part by the communities' fund, an area board grant and the Salisbury recovery fund.

12.0 Legal Implications

- 12.1 The correct legal process must be followed for the public consultation, advertising and considering and implementing any agreed changes. There are no other legal implications.

13.0 Options for consideration and approval

- 13.1 It is proposed that the Licensing Committee, considers and approves that a public consultation take place on Wiltshire Council's revised Hackney Carriage Fees and Tariffs schedule, detailed in Appendix A. Subject to the results of the consultation it is also proposed that in the event of no significant objections that power to implement the revised schedule be delegated to officers. The proposed changes are shown below:

For Vehicles up to four seats

1. An additional 30p to be added to all flag rates (standing charge)
2. Tariff 3, be amended to only apply on Bank Holidays, Christmas Day, Boxing Day, New Year's Day and Easter Sunday.
3. Tariff 2, be implemented from 22:00 instead of the current 22:30 and apply all day every day.
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For Vehicles with more than four seats carrying more than four passengers

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6. Tariff 4, be implemented from 22:00 instead of the current 22:30 and apply all day every day.
7. Tariff 2, to end at 21:59 instead of 22:29.

A copy of the new schedule is included as appendix A.

14.0 Conclusions

- 14.1 To ensure the taxi service remains sustainable to residents of Wiltshire a change is required to tariffs 3 & 5. Research has shown that Wiltshire is considerably more expensive late at night than other areas.
- 14.2 Lower journey costs may drive up usage of the service benefitting drivers and operators in the long term and also supporting the late-night economy in Wiltshire.

15.0 Recommendation:

- 15.1 That the Licensing Committee gives permission for the taxi licensing team to undertake a public consultation on the revised schedule of fees and tariffs. Subject to no significant issues being identified during the consultation process the Licensing Committee delegates the power to consider the consultation responses and implement a revised schedule to officers of the taxi licensing team.

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January 2020

The following unpublished documents have been relied on in the preparation of this report:

Appendices

Appendix A: Proposed 2020 Tariff Card

Appendices B to E: Pre-2015 Tariff Cards