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**Subject:** LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976 - REQUEST FOR INCREASE IN HACKNEY CARRIAGE FARE TARIFF

**Meeting and Date:** Cabinet – 3 June 2019

**Report of:** Diane Croucher, Head of Regulatory Services

**Portfolio Holder:** Councillor Nigel Collor, Portfolio Holder for Transport and Licensing

**Decision Type:** Key Decision

**Classification:** Unrestricted

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**Purpose of the report:** To seek approval to consult on the maximum fare increase proposal submitted by the Dover Federation of Taxi Operators.

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**Recommendation:**

1. That Cabinet approves a period of consultation with the trade and public on the maximum fare increases proposed by the Dover Federation of Taxi Operators, and considers any representations at a future meeting.

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### Summary

1. The fixing of fares in respect of hackney carriages is a statutory function of the District Council under the provisions of Section 65, Local Government (Miscellaneous Provisions) Act 1976.
2. The formal statutory procedure requires the Council to publish a notice containing the table in at least one local newspaper and specify a period of not less than 14 days from the first publication of the notice during which time objections to the variation can be made.
3. In the event of any objections to the variation being received, the Authority must consider those objections before bringing the variation into operation. The date on which the table of fares comes into operation, with or without modification, shall be not less than 2 months after the date on which it would have come into operation if no objections were received or if objections had been withdrawn.
4. The current hackney carriage table of fares came into force in January 2012, and is shown at **Appendix A**.
5. The Licensing Section has received a proposal for a review of the table of fares. The proposal was received from some members of the Dover Federation of Licensed Taxi Operators (**Appendix B**). The proposal has been received in response to increased vehicle running costs.
6. Officers are aware that not all members of the trade support the Federation's proposal. Therefore, rather than go straight into the formal procedure it is proposed to undertake a preliminary non-statutory consultation in advance of the invoking the formal procedures identified in paragraphs 1 to 3 above.

## Introduction and Background

7. A proposal was received from some members of the Dover Federation of Taxi Operators. A forum was held at the Council Offices in order that the federation could explain the proposal in full and any questions could be answered. Some of the members of the Federation do not agree with the proposal, and have been advised that if the proposal goes out for consultation, they will have an opportunity to put their views across then. It should be noted that this is a maximum tariff, so hackney proprietors may charge less than this if they wish to do so.
8. Data from the April 2019 issue of The Private Hire and Taxi Monthly has been utilised to compare this authority's current fares with other local authorities throughout the country. According to the Private Hire and Taxi Monthly, Dover District Council currently has the 147<sup>th</sup> highest taxi tariff in the country. Canterbury is ranked 144<sup>th</sup> highest, Ashford 69<sup>th</sup>, Folkestone & Hythe 116<sup>th</sup> and Thanet 280<sup>th</sup> out of a total of 362 local authority areas (**Appendix C**).
9. Comparative data from the AA of fuel prices between 2012 and 2018 shows a decrease from 142p to 125p for a litre of diesel, and a decrease from 134p to 122.5p for a litre of unleaded (**Appendix D**). This does not take into account any potential increased running costs (insurance, tax, car maintenance etc).
10. Denis Carter (a member of the Federation) has provided a presentation (on behalf of the Dover Federation of Taxi Operators) which explains the calculations behind the proposal, and this is shown at **Appendix E**.

## The Proposal

11. The application is for the following amendments to the Table of Fares:
  - Tariff 1 (6.00 am – 12 midnight daily)

For hiring commenced between the hours of 6.00 am and 11.00 pm each day

    - Changing the start yards from **400 yards to 300 yards**
    - Changing the Drop Yards from **117 yards to 207 yards**
    - Changing the price for each 207 yards or 45 seconds from **£0.10 to £0.20**
    - Changing the Start price from **£3.30 to £3.20**
    - Thus meaning that the **first mile cost will increase from £4.50 to £4.60**
    - And that **each additional mile cost will increase from £1.50 to £1.70**
  - Tariff 2 (12 midnight – 6.00 am daily,

This tariff is no longer to be used for Statutory Holidays and Bank Holidays.

    - Changing the start yards from **400 yards to 300 yards**
    - Changing the Drop Yards from **117 yards to 207 yards**
    - Changing the price for each 207 yards or 45 seconds from **£0.15 to £0.30**
    - Changing the Start price from **£4.95 to £4.80**

- Thus meaning that the **first mile cost will increase from £6.75 to £6.90**
- And that **each additional mile cost will increase from £2.25 to £2.55**
- Tariff 3 (Between 6.00 pm Christmas Eve and 6.00 am 27 December and 6.00 pm New Year's Eve and 6.00 am on 2 January)
  - Changing the start yards from **400 yards to 300 yards**
  - Changing the Drop Yards from **117 yards to 207 yards**
  - Changing the price for each 207 yards or 45 seconds from **£0.20 to £0.40**
  - Changing the Start price from **£6.60 to £6.40**
  - Thus meaning that the **first mile cost will increase from £9.00 to £9.20**
  - And that **each additional mile cost will increase from £3.00 to £3.40**

**In addition, extras have been added to the tariff card as follows:**

**For hiring on Sundays, Statutory Holidays and Bank Holidays £1.00**  
 (previously this charge was for Sundays only, bank holidays were included in tariff 2).

All other costs to remain the same.

### **3 Identification of Options**

- 3.1 Option 1 is to approve a period of preliminary non-statutory consultation on the proposals put forward by the Dover Federation of Taxi Operators. Any representations made to be considered at a future meeting.
- 3.2 Option 2 is to approve the proposals put forward by the Dover Federation of Taxi Operators and go straight into the formal notice procedure with the statutory objection period being the only opportunity to make representations. Any representations made to be considered at a future meeting.
- 3.3 Option 3 is to reject the proposed variation and retain the existing table of fares.

### **4 Evaluation of Options**

The current tariff has been in place since 2012 (7 years without review), therefore the trade have approached the licensing authority to review the tariff in line with increased running costs.

- 4.1 Option 1 – Choosing option 1 enables the licensing authority to consult on the proposed fares submitted by the Dover Federation of Licensed Taxi Operators in a clear and transparent manner, enabling the licensing authority to establish the views of service users in advance of commencing formal procedures.
- 4.2 Option 2 – Choosing option 2 provides a more limited opportunity for the trade and public to make their views known.

- 4.3 Option 3 – Choosing option 3 will not enable the licensing authority to consult the public on the hackney carriage tariff and would leave the tariff as it is.

## **5 Resource Implications**

The consultation will be accommodated within the existing budget provision.

## **6 Corporate Implications**

- 6.1 Comment from the Finance Officer: Finance has been consulted and has nothing further to add (SB).
- 6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 6.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>.
- 6.4 Other Officers (as appropriate):

## **7 Appendices**

Appendix A – Current tariff

Appendix B – New proposal submitted by Dover Federation of Licensed Taxi Operators

Appendix C – PHTM figures

Appendix D – AA fuel price information relating to 2012 and 2018.

Appendix E – Presentation provided by Denis Carter (on behalf of Dover Federation of Licensed Taxi Operators).

## **8. Background Papers**

None.

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