

RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

PART 1 – PUBLIC DOCUMENT

Any interest to declare / or conflict and any dispensation granted: **not applicable**

SERVICE DIRECTORATE: LEGAL AND COMMUNITY

1. DECISION TAKEN

To consider the results of a public consultation and set the council's taxi fare tariff for all taxi journeys starting and ending in North Hertfordshire. With effect from 1 December 2022, the new tariff will be:

TARIFF 1 (Standard Tariff)

£3.50 for the first 1,166 yards or part thereof

£0.10 after the first 1,166 yards, for every 60 yards or part thereof (waiting time)

TARIFF 2

For hirings **commencing between** midnight and 06.00am, all day Sunday and all day Bank/Publicly-Declared Holidays

£5.00 for the first 1,166 yards or part thereof

£0.15 after the first 1,166 yards, for every 60 yards or part thereof (waiting time)

CHRISTMAS DAY SURCHARGE

For hirings **commencing on Christmas Day only**, a surcharge of 13.85% will be applied to Tariff 1 (Standard Tariff).

This represents an average increase of 13.85%.

2. DECISION TAKER

Cllr Sean Prendergast, Executive Member for Housing and Environmental Health

3. DATE DECISION TAKEN

3 November 2022

4. REASON FOR DECISION

4.1 The Local Government (Miscellaneous Provisions) Act 1976 allows local authorities to regulate the maximum tariff charged by taxis. Whilst there is no fixed period for a tariff to remain in effect, the council has historically reviewed its tariff annually with the new tariff (where applicable) taking effect around November.

4.2 Taxi fares were last increased in 2018 and the taxi trade has asked the council for an increase to cover the increased cost of living, particularly fuel prices.

- 4.3 The adopted taxi tariff is as advertised during the consultation period without the mandatory discount proposed for vulnerable persons.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The initial consultation was based on the final agreed tariff however it also included a mandatory discount of 10% for vulnerable persons, initially defined as persons in possession of a bus pass or UK Disability Card. Options considered:

- Proceed as advertised, including the discount
- Abandon the proposal and restart the process
- Remove the discount and amend the fare tariff
- Not proceed with the proposal in its entirety

As detailed below, there was significant opposition to the mandatory discount proposed; therefore, the above options were not considered to be appropriate.

6. CONSULTATION (INCLUDING THE EFFECT ON STAKEHOLDERS, PARTNERS AND THE PUBLIC)

- 6.1 The consultation process is defined within section 65 of the Local Government (Miscellaneous Provisions) Act 1976 and has been followed.

- 6.2 Prior to the formal consultation process, the Executive Member and Deputy Executive Member visited taxi ranks on a Friday evening and spoke with taxi drivers. The licensing manager also asked for informal views from the trade on the closed North Herts Taxi and Private Hire Licence Holders Facebook page and those comments were summarised for the Executive Member and Deputy Executive Member.

- 6.3 The North Herts Taxi Drivers Association was formed during the formal consultation process and has engaged positively in the process with strong views on the impact of a mandatory discount scheme. They have also been supported by the National Private Hire and Taxi Association.

- 6.4 In accordance with the prescribed process, the proposal was advertised in The Comet and The Royston Crow setting out how representations could be made and the process that would be followed. A separate webpage was created outlining the consultation and a number of social media posts referring to the consultation were posted periodically by the communications team.

- 6.5 All consultation responses (in full) and a number of comments posted on the North Herts Taxi and Private Hire Licence Holders Facebook page were provided to and considered by the Executive Member, Deputy Executive Member and Service Director - Legal and Community.

- 6.6 A meeting was held with the Leader of the Council, Deputy Leader of the Council, Executive Member for Housing and Environmental Health, Deputy Executive Member for Housing and Environmental Health, Managing Director, Service Director – Legal and Community, and the licensing manager to discuss the consultation responses.

7. FORWARD PLAN

- 7.1 This decision is not a key Executive decision and has therefore not been referred to in the Forward Plan.

8. RELEVANT CONSIDERATIONS

- 8.1 A key consideration was that the current fare tariff was introduced on 12 November 2018 and has not been increased since. The trade put forward convincing arguments that the current economic crisis, in particular rising fuel costs in recent years, necessitated a significant rise in fares.
- 8.2 It has always been the council's position that the taxi tariff should be suitably placed in the National League Tables of Fares¹ to reflect the high standards of vehicles and drivers required by the council and the local economic position compared to other areas of the country. Consideration is also given to ensuring that the position in the National Tables is comparable to other Hertfordshire authorities and neighbouring authorities.
- 8.3 North Herts have ordinarily been positioned in the top quartile in the fares league tables however currently sit in joint 164th position as most other authorities have increased fares over the past year. The new tariff will position North Herts at joint 46th in the league tables.
- 8.4 Comparing North Herts to neighbouring authorities, based on a two-mile journey which is the lowest comparable journey that is consistent across all tariffs, produces the following:

	0.5 miles	1.0 miles	1.5 miles	2.0 miles	2.5 miles	3.0 miles	3.5 miles	4.0 miles	
Watford	Unknown			£8.40	Unknown				
Uttlesford	Unknown			£8.30	Unknown				
Broxbourne	Unknown			£8.20	Unknown				
North Herts (new tariff)	£3.50	£4.50	£6.00	£7.50	£8.90	£10.40	£11.90	£13.40	
Cambridge City	Unknown			£7.30	Unknown				
South Cambs	Unknown			£7.30	Unknown				
Stevenage	£4.00	£5.00	£6.00	£7.00	£8.00	£9.00	£10.00	£11.00	
East Herts	Unknown			£7.20	Unknown				
Welwyn Hatfield	£3.60	£4.80	£6.00	£7.00	£8.20	£9.40	£10.60	£11.80	
Hertsmere	Unknown			£7.00	Unknown				
Bedford	Unknown			£6.80	Unknown				
Three Rivers	Unknown			£6.70	Unknown				
Luton	£3.50	£4.40	£5.40	£6.50	£7.50	£8.50	£9.60	£10.60	

- 8.5 Feedback from the taxi trade is that most of the journeys are short distances around the main towns. The following table shows how the shorter distances are a lower percentage increase to help ensure that vulnerable persons relying on taxis pay less of an increase than longer journeys which are, typically, undertaken by those more likely to a higher disposable income.

	1 mile	2 miles	5 miles	10 miles	Average (per mile)
CURRENT 2022	£4.00	£6.60	£14.30	£27.10	£2.89
INCREASED TARIFF FROM 01/12/2022	£4.50	£7.50	£16.30	£30.90	£3.29
	£0.50	£0.90	£2.00	£3.80	

¹ 349 authorities set taxi fare tariffs in the UK

- 8.6 The intention of the original proposal, which included a mandatory discount for vulnerable persons², was to balance the need for a viable local transport service against the economic pressures on the community, particularly the elderly and vulnerable that often rely on taxis to undertake essential journeys.
- 8.7 Only 5 public responses were received from a population of 133, 214³, the precis of the responses is as follows:
- Fares should increase and clarification about disability bus passes
 - Fares already too expensive
 - Allow Uber in Letchworth
 - Do carers qualify for discounts?
 - Fares already expensive compared to neighbouring authorities
- 8.8 Of the 183 persons currently licensed to drive a taxi in North Herts, 95 responses (52.2%) were received. In addition, 12 private hire drivers replied (as a few private hire vehicles voluntarily use the same taxi meter tariff) and 3 of the largest operators replied (Eurocabs, Boxalls, and Butler Meltax). A precis of the responses is as follows:
- Every response objected to the proposed vulnerable person discount
 - Many drivers claim they already offer voluntary discounts to persons that need them and should be allowed to continue this practice without mandating it for every driver
 - A small number of drivers asked for a greater increase
 - No objections were received against the proposed fare tariff, excluding the discount, save for the small number of drivers that wanted a higher increase
 - The NHTDA (local trade association) raised a number of specific questions about the practicalities of administering a mandatory discount scheme:
- In the case of him not willing to meet perhaps you could ask him to clarify the follow regarding the discount scheme:
- Can he be sure that a driver who has done a full shift consisting of mainly discount can earn a living wage?
 - If there is more than one passenger on board and only one passenger is eligible for should the fare be?
 - Does the discount apply to the entire journey if the person entitled to the discount for part of the journey and not the whole?
 - If it does not, how would the discount be calculated in respect of the one passenger distance travelled as a part and not the entirety of the journey?
 - What does he propose we do with suspected passengers being used as a stooge. i holder orders a taxi for him and a friend to go the Heathrow airport. The bus pass h ID and the discount is triggered. He/she exits the vehicle after a few yards and the n person continues with their journey at a discount.
 - Who is responsible for paying for a taxi fare? The person booking a taxi or the pers? What are drivers to do when a customer who is not eligible for a discount intends to He decides to ask an eligible friend to book and pay for the taxi for him before payin privately?
 - Can he clarify whether the fares we charge are for a journey or for individual pass?
 - If we pick up two passengers (discount or no discount) and only one passenger has pay for the taxi. Will he or she be expected to pay the whole meter price or half.
 - Will there be any guidance given to drivers to spot the difference between legitim counterfeit bus passes/blue badges etc? If so who would cover the cost?
 - Can he show us any documented responses from taxi drivers that occurred during on the taxi rank?
- 8.9 Licensing officers were concerned about enforcement of the proposed mandatory discount scheme / related complaints. They were also concerned about the deterioration of the working relationship with the trade which had been significantly impacted by the proposed discount scheme, mainly as the trade saw it as an officer-led proposal.

² A person who holds a bus pass or national disability card

³ Office for National statistics 2018 estimate

- 8.10 Although no other authorities offer a mandatory discount scheme, a few Councils (such as St Albans City and District Council, and Cambridge City Council) currently offers a council-funded taxi voucher scheme, whereby eligible customers can obtain vouchers up to a fixed amount from the council. The vouchers can be used to pay for taxi journeys and the drivers re-claim the voucher value from the council. Officers are researching the administration of the scheme and seeking views on its effectiveness, for consideration in the next municipal year, for implementation 2024, subject to budgetary/ cost, and resource implications for the Council.
- 8.11 The current priority was to ensure that the trade received a fare increase to assist them in the current economic climate, particularly given the current tariff is now 4 years old.
- 8.12 Restoring the working relationship with the trade and exploring a taxi voucher scheme will be the next follow-on actions with the trade and for the Council.

9. LEGAL IMPLICATIONS

- 9.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 sets out the prescribed process to be followed when amending a taxi tariff.
- 9.2 The power to set fares is an executive decision however has not been reserved for the Cabinet and has been delegated to the Executive Member – Housing and Environmental Health under section 14.6.8 (b) (xiii) of the Constitution.
- 9.3 The Service Director - Legal and Community has been consulted throughout the process, considered and reviewed the legalities and endorsed the decision.
- 9.4 The Council should give adequate weight to the consultation responses as required by section 65 (4) of the 1976 Act. Given that there is a majority of the trade against the proposal to introduce mandatory discounts (100% of the trade who responded with over 50% of the trade participation), and no appreciable support for the scheme from the public, the decision taken is a reasonable reflection of the legal requirements.
- 9.5 One other issue may be relevant in terms of fares proposed and that is the current and emerging updated Best Practice Taxi and Private Hire licensing DoT guidance (2010), which was subject to an updating consultation this year (and currently the response to this is being considered by the government). This guidance is general Taxi licensing in nature and non-statutory; however, the following part of the proposed DoT guidance 2022 (which is reflective of the current 2010 good practice guidance wording) is of relevance:

10.2

“...Authorities should consider adopting a simple formula for deciding on fare changes as this will increase understanding and improve the transparency of the process for passengers. The Department recommends that in reviewing fare rates, authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers the ability to earn a sufficient income and so incentivise them to provide a service when it is needed...”

To the extent relevant, the fares set should be clear, understandable and balance the needs to the travelling public as against the ability for the trade to earn a living. The decision taken reflects those requirements.

10. FINANCIAL IMPLICATIONS

- 10.1 Licensing case law has clarified the legislative position that councils can recover their reasonable costs of administration and enforcement through licensing fees therefore there is no cost to the Council from this consultation process.

11. RISK IMPLICATIONS

- 11.1 There is a risk that the trade challenge the decision of the council through the courts which can only be by way of Judicial Review. The decision would have to be shown to be unlawful or unreasonable for a challenge to be successful. The correct legal process has been followed and the decision is reasonable based on all available evidence provided by officers and by the trade.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The discount scheme would potentially have provided some positive benefits to a group with a protected characteristic (disability). However, as indicated there were only 5 public responses received, and none apparently in support of the proposal. The Council, will, however, as indicated, be looking at voucher schemes to see whether this would be feasible in the future.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and “go local” policy do not apply to this decision.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this decision.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no additional resourcing implications as a result of this decision.

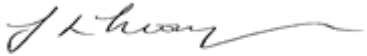
16. BACKGROUND PAPERS

- 16.1 Local Government (Miscellaneous Provisions) Act 1976
- 16.2 The National League Tables of Taxi Fares

NOTIFICATION DATE

Date notified to Members in MIS: 4 November 2022
Last date for call-in: 14 November 2022
Decision to take effect (if not called-in): 1 December 2022

Signature of Officer Consulted:



Date: 2.11.22

Signature of Decision Taker:



Please Note

That unless urgency provisions apply EXECUTIVE decisions cannot be implemented until 5 clear working days have elapsed after the decision has been taken to allow for scrutiny call-in.