

<b>SUBJECT:</b>	<b>REVIEW OF HACKNEY CARRIAGE FARES</b>
<b>DIRECTORATE:</b>	<b>COMMUNITIES AND ENVIRONMENT</b>
<b>REPORT AUTHOR:</b>	<b>THOMAS CHARLESWORTH, LICENSING OFFICER</b>

## **1. Purpose of Report**

- 1.1 To consider two options from hackney carriage proprietors, to increase the fares for Hackney Carriages in Lincoln.

## **2. Executive Summary**

- 2.1 Committee decision to consider requests to vary the Hackney Carriage Fares in accordance with the submitted options.

## **3. Current Fares**

- 3.1 The last fare increase took place in March 2019; the current tariff is shown at Appendix A.
- 3.2 A hackney carriage driver can levy 4 rates; this is dependent on the date, time of day and number of passengers.
- 3.3 Rate 1 is levied if there are 1 to 4 passengers, and the time of day is between 6am and 11pm. This rate is commonly referred to as the day rate.
- 3.4 Rate 2 is levied if there are 1 to 4 passengers, and the time of day is between 11pm and 6am. This rate is commonly referred to as the night rate.
- 3.5 Rate 2 is also levied if there are 5 to 8 passengers regardless of the time of day.
- 3.6 Lastly, rate 2 can be levied regardless of the time of day on all public, bank holidays and Easter Sunday. Also, from noon to 11pm on Christmas Eve and from 6pm to 11pm on New Year's Eve.
- 3.7 Rate 3 is levied if there are 1 to 4 passengers, and the time of day is from 11pm on Christmas Eve until 6am on 27<sup>th</sup> December and from 11pm on New Year's Eve until 6am on 1<sup>st</sup> January.
- 3.8 Rate 4 is levied if there are 5 to 8 passengers, and the time of day is from 11pm on Christmas Eve until 6am on 27<sup>th</sup> December and from 11pm on New Year's Eve until 6am on 1<sup>st</sup> January.

#### **4. Current Fare Prices**

4.1 Currently under rate 1 if the distance does not exceed 180 metres for the whole distance the price is £3.00. This is known as the drop price. For distances over 180 metres, for the first 180 metres £3.00 will be added to the fare. For each subsequent 180 metres or part of, 20p is added to the fare.

4.2 In mileage terms, the fare levied under rate 1 would be as follows:

- 1 mile = £4.60
- 2 mile = £6.40
- 3 mile = £8.20
- 4 mile = £10.00
- 5 mile = £11.80

4.3 Under rate 2 if the distance does not exceed 202 metres for the whole distance the price is £3.80 (the drop price). For distances over 202 metres, for the first 202 metres £3.80 will be added to the fare. For each subsequent 202 or part of, 30p is added to the fare.

4.4 In mileage terms, the fare levied under rate 2 would be as follows:

- 1 mile = £5.90
- 2 mile = £8.30
- 3 mile = £10.70
- 4 mile = £13.10
- 5 mile = £15.50

4.5 The price for rate 3 is calculated using the same metred distances and prices as set out in rate 1, plus 100%.

4.6 In mileage terms, the fare levied under rate 3 would be as follows:

- 1 mile = £9.20
- 2 mile = £12.80
- 3 mile = £16.40
- 4 mile = £20.00
- 5 mile = £23.60

4.7 The price for rate 4 is calculated using the same metred distances and prices as set out in rate 2, plus 100%.

4.8 In mileage terms, the fare levied under rate 4 would be as follows:

- 1 mile = £11.80
- 2 mile = £16.60
- 3 mile = £21.40
- 4 mile = £26.20
- 5 mile = £31.00

## **5. Option 1 – Simon Hearn (Hackney Carriage Proprietor)**

- 5.1 This option keeps the same number of rates as the current tariff i.e., 4 rates but seeks a fare increase to both rate 1 and rate 2. If this increase is agreed by the Council, then rate 3 and rate 4 will also change as rate 3 is charged at rate 1 plus 100% and rate 4 is charged at rate 2 plus 100%.
- 5.2 The increase to rate 1 and rate 2 is achieved by altering both the metred distance and the drop price for both rates. The metred distance for both rates have been reduced and therefore the meter will increase the fare at a faster rate than the current tariff. The drop price i.e., the minimum fare that can be levied before the vehicle moves a specific metred distance has also increased for both rates.
- 5.3 This option keeps the same criteria as the current tariff regarding the 4 rates and when they can be levied. This criterion is dependent on the date, time of day and number of passengers. With the one following amendment:
- 5.4 Rate 2: For 1 to 4 passengers, from 6pm Saturday to 6am Monday.
- 5.5 This means that on a Saturday rate 2 will begin 5 hours earlier and will be operative 24 hours a day on a Sunday. Under the current tariff, rate 2 is operative for 7 hours on a Sunday (midnight to 6am and 11pm to midnight).

## **6. Fare Increases for Option 1**

- 6.1 Currently under rate 1 the drop price is £3.00, and the meter price increases by 20p every 180 metres.
- 6.2 Option 1 increases the drop price to £3.80, and the meter price to increase by 20p every 169 metres.
- 6.3 Consequently, for rate 1 if the distance does not exceed 169 metres for the whole distance the price will be £3.80. For distances over 169 metres, for the first 169 metres £3.80 will be added to the fare. Therefore, there will be an increase of 80p to the drop price from the current rate 1 tariff. For each subsequent 169 metres or part of, 20p is added to the fare. Therefore, whilst there has not been an increase to the incremental price levied, that of 20p, the rate at which it is and will subsequently be added to the fare now occurs 11 metres sooner than the current tariff.
- 6.4 In mileage terms, the fare levied under the proposed rate 1 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 1 fare and the proposed rate 1 fare).
- 1 mile = £5.60 (+£1.00)
  - 2 mile = £7.60 (+£1.20)
  - 3 mile = £9.40 (+£1.20)
  - 4 mile = £11.40 (+£1.40)

- 5 mile = £13.20 (+£1.40)
- 6.5 Currently under rate 2 the drop price is £3.80, and the meter price increases by 30p every 202 metres.
- 6.6 Option 1 increases the drop price to £4.40, and the meter price to increase by 30p every 192 metres.
- 6.7 Consequently, for rate 2 if the distance does not exceed 192 metres for the whole distance the price will be £4.40. For distances over 192 metres, for the first 192 metres £4.40 will be added to the fare. Therefore, there will be an increase of 60p to the drop price from the current rate 2 tariff. For each subsequent 192 metres or part of, 30p is added to the fare. Therefore, whilst there has not been an increase to the incremental price levied, that of 30p, the rate at which it is and will subsequently be added to the fare now occurs 10 metres sooner than the current tariff.
- 6.8 In mileage terms, the fare levied under the proposed rate 2 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 2 fare and the proposed rate 2 fare).
- 1 mile = £6.80 (+£0.90)
  - 2 mile = £9.20 (+£0.90)
  - 3 mile = £11.90 (+£1.20)
  - 4 mile = £14.30 (+£1.20)
  - 5 mile = £16.70 (+£1.20)
- 6.9 The price for rate 3 is calculated using the same metred distances and prices as set out in the proposed rate 1, plus 100%.
- 6.10 In mileage terms, the fare levied under the proposed rate 3 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 3 fare and the proposed rate 3 fare).
- 1 mile = £11.20 (+£2.00)
  - 2 mile = £15.20 (+£2.40)
  - 3 mile = £18.80 (+£2.40)
  - 4 mile = £22.80 (+£2.80)
  - 5 mile = £26.40 (+£2.80)
- 6.11 The price for rate 4 is calculated using the same metred distances and prices as set out in the proposed rate 2, plus 100%.
- 6.12 In mileage terms, the fare levied under the proposed rate 4 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 4 fare and the proposed rate 4 fare).
- 1 mile = £13.60 (+£1.80)
  - 2 mile = £18.40 (+£1.80)

- 3 mile = £23.80 (+£2.40)
- 4 mile = £28.60 (+£2.40)
- 5 mile = £33.40 (+£2.40)

6.13 At Appendix B you can see a comparative spreadsheet that shows the 4 rates of the current tariff, as well as the rates of both proposed tariffs, for a journey of 1 mile through to a journey of 5 miles. The monetary difference in pounds and pence between the current and proposed tariffs has also been included, to aid the members.

## **7. Miscellaneous Charges for Option 1**

7.1 Waiting time in a hackney carriage is currently charged at a rate of 20p for every 45 seconds for rate 1 and a rate of 30p for every 45 seconds at rate 2.

7.2 Extras can also be levied, see Appendix A for the table of maximum fares that display the prices for these extras, which also includes the soling charge.

7.3 This option does not seek to change any of the miscellaneous charges as detailed above and in Appendix A.

7.4 At appendix C you can see a 'mock-up' of the hackney carriage table of maximum fares that displays the proposed tariff of option 1.

## **8. Option 2 – Sultan Mohamadi (Hackney Carriage Proprietor)**

8.1 This option is for a tariff containing 5 rates. The significant difference from the current tariff is the inclusion of an extra 'night' rate (daily from 9pm to 6am) for when there are more than 4 passengers in the vehicle. This forms part of the newly proposed rate 3 which is discussed in greater detail below.

8.2 Rate 1 applies for 1 to 4 passengers, daily from 6am to 9pm.

8.3 This has altered from the current tariff with the time frame that the rate is operative reduced and now finishing 2 hours earlier.

8.4 The metered distance and both the drop price and the incremental price for rate 1 have also changed.

8.5 Rate 2 applies in five specific circumstances which are dependent on the number of passengers in the vehicle, the time of day, and the date.

8.6 1. For 1 to 4 passengers, daily from 9pm to 6am.

8.7 This has altered from the current tariff with the time frame that the rate is operative increased and now starting 2 hours earlier.

8.8 2. For more than 4 passengers, daily from 6am to 9pm.

8.9 Rate 2 will now become the 'day' rate for more than 4 passengers with the new

rate 3 becoming the 'night' rate for more than 4 passengers. Under the current tariff when there are more than 4 passengers (except on specific holidays) rate 2 is in effect, 24 hours a day.

- 8.10 3. For 1 to 4 passengers, 24 hours on all public, bank holidays and Easter Sunday
- 8.11 All public, bank holidays and Easter Sunday, for 24 hours a day, are now split between rate 2 (for 1 to 4 passengers) and rate 3 (for more than 4 passengers). Under the current tariff, rate 2 is in effect, 24 hours a day, on these specific holidays.
- 8.12 4. For 1 to 4 passengers, from noon to 9pm on Christmas Eve
- 8.13 Christmas Eve, from noon to 9pm, is also split between rate 2 (for 1 to 4 passengers) and rate 3 (for more than 4 passengers). Under the current tariff, rate 2 is in effect on Christmas Eve, from noon to 11pm regardless of the number of passengers in the vehicle. Therefore, the time frame that the proposed rate will be operative on this day will be reduced, finishing 2 hours earlier.
- 8.14 5. For 1 to 4 passengers, from noon to 9pm on New Year's Eve
- 8.15 New Year's Eve, from noon to 9pm, is also split between rate 2 (for 1 to 4 passengers) and rate 3 (for more than 4 passengers). Under the current tariff, rate 2 is in effect on New Year's Eve, from noon to 11pm regardless of the number of passengers in the vehicle. Therefore, the time frame that the proposed rate will be operative on this day will be reduced, finishing 2 hours earlier.
- 8.16 The metered distance and both the drop price and the incremental price for rate 2 have also changed.
- 8.17 Rate 3 applies for more than 4 passengers, in four specific circumstances which are dependent on the time of day and the date.
- 8.18 1. For more than 4 passengers, daily from 9pm to 6am.
- 8.19 As mentioned earlier in the report, the new rate 3 will now become the 'night' rate for more than 4 passengers and rate 2 will now become the 'day' rate for more than 4 passengers. Under the current tariff when there are more than 4 passengers (except on specific holidays) rate 2 is in effect, 24 hours a day.
- 8.20 2. For more than 4 passengers, 24 hours on all public, bank holidays and Easter Sunday
- 8.21 All public, bank holidays and Easter Sunday, for 24 hours a day, are now split between rate 3 (for more than 4 passengers) and rate 2 (for 1 to 4 passengers). Under the current tariff, rate 2 is in effect, 24 hours a day, on these specific holidays.

- 8.22 3. For more than 4 passengers, from noon to 9pm on Christmas Eve
- 8.23 Christmas Eve, from noon to 9pm, is also split between rate 3 (for more than 4 passengers) and rate 2 (for 1 to 4 passengers). Under the current tariff, rate 2 is in effect on Christmas Eve, from noon to 11pm regardless of the number of passengers in the vehicle. Therefore, the time frame that the proposed rate will be operative on this day will be reduced, finishing 2 hours earlier.
- 8.24 4. For more than 4 passengers, from noon to 9pm on New Year's Eve
- 8.25 New Year's Eve, from noon to 9pm, is also split between rate 3 (for more than 4 passengers) and rate 2 (for 1 to 4 passengers). Under the current tariff, rate 2 is in effect on New Year's Eve, from noon to 11pm regardless of the number of passengers in the vehicle. Therefore, the time frame that the proposed rate will be operative on this day will be reduced, finishing 2 hours earlier.
- 8.26 As this is a newly proposed rate, the metered distance and both the drop price and the incremental price are different to their counterparts in rates 1 and 2 of option 2.
- 8.27 Rate 4 applies for 1 to 4 passengers, in two specific circumstances which are dependent on the time of day and the date.
- 8.28 1. For 1 to 4 passengers, from 9pm on Christmas Eve until 6am on 27<sup>th</sup> December
- 8.29 Rate 4 is essentially the same as rate 3 from the current tariff, except that the time frame that the rate is operative has increased, starting 2 hours earlier.
- 8.30 2. For 1 to 4 passengers, from 9pm on New Year's Eve until 6am on 1<sup>st</sup> January
- 8.31 Rate 4 is essentially the same as rate 3 from the current tariff, except that the time frame that the rate is operative has increased, starting 2 hours earlier.
- 8.32 Rate 4 is levied at rate 1, plus 100%.
- 8.33 Rate 5 applies for more than 4 passengers, in two specific circumstances which are dependent on the time of day and the date.
- 8.34 1. For more than 4 passengers, from 9pm on Christmas Eve until 6am on 27<sup>th</sup> December
- 8.35 Rate 5 is essentially the same as rate 4 from the current tariff, except that the time frame that the rate is operative has increased, starting 2 hours earlier.
- 8.36 2. For more than 4 passengers, from 9pm on New Year's Eve until 6am on 1<sup>st</sup> January

- 8.37 Rate 5 is essentially the same as rate 4 from the current tariff, except that the time frame that the rate is operative has increased, starting 2 hours earlier.
- 8.38 Rate 5 is levied at rate 2, plus 100%.

## **9. Fare Increases for Option 2**

- 9.1 Currently under rate 1 the drop price is £3.00, and the meter price increases by 20p every 180 metres.
- 9.2 Option 2 increases the drop price to £3.80, and the meter price to increase by 25p every 175 metres.
- 9.3 Consequently, for rate 1 if the distance does not exceed 175 metres for the whole distance the price will be £3.80. For distances over 175 metres, for the first 175 metres £3.80 will be added to the fare. Therefore, there will be an increase of 80p to the drop price from the current rate 1 tariff. For each subsequent 175 metres or part of, 25p is added to the fare. Therefore, the rate at which this incremental price is and will subsequently be levied now occurs 5 metres sooner than the current tariff. The incremental price has also increased by 5p from the current rate 1 tariff.
- 9.4 In mileage terms, the fare levied under the proposed rate 1 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 1 fare and the proposed rate 1 fare).
- 1 mile = £6.05 (+£1.45)
  - 2 mile = £8.30 (+£1.90)
  - 3 mile = £10.55 (+£2.35)
  - 4 mile = £12.80 (+£2.80)
  - 5 mile = £15.05 (+£3.25)
- 9.5 Currently under rate 2 the drop price is £3.80, and the meter price increases by 30p every 202 metres.
- 9.6 Option 2 increases the drop price to £4.80, and the meter price to increase by 35p every 190 metres.
- 9.7 Consequently, for rate 2 if the distance does not exceed 190 metres for the whole distance the price will be £4.80. For distances over 190 metres, for the first 190 metres £4.80 will be added to the fare. Therefore, there will be an increase of £1.00 to the drop price from the current rate 2 tariff. For each subsequent 190 metres or part of, 35p is added to the fare. Therefore, the rate at which this incremental price is and will subsequently be levied now occurs 12 metres sooner than the current tariff. The incremental price has also increased by 5p from the current rate 1 tariff.
- 9.8 In mileage terms, the fare levied under the proposed rate 2 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 2 fare and the proposed rate 2 fare).



- 1 mile = £7.60 (+£1.70)
- 2 mile = £10.40 (+£2.10)
- 3 mile = £13.55 (+£2.85)
- 4 mile = £16.35 (+£3.25)
- 5 mile = £19.50 (+£4.00)

9.9 As the newly proposed rate 3 is an extra rate not currently represented on the existing tariff, the prices and the metred distances have been freshly calculated.

9.10 Option 2 sets the drop price at £5.80, and the meter price to increase by 40p every 180 metres.

9.11 Consequently, for rate 3 if the distance does not exceed 180 metres for the whole distance the price will be £5.80. For distances over 180 metres, for the first 180 metres £5.80 will be added to the fare. For each subsequent 180 metres or part of, 40p is added to the fare.

9.12 In mileage terms, the fare levied under the proposed rate 3 would be as follows: (please note that as this rate is not represented on the current tariff, there are no comparison figures in brackets to show the price differential)

- 1 mile = £9.00
- 2 mile = £12.60
- 3 mile = £16.20
- 4 mile = £19.80
- 5 mile = £23.40

9.13 The price for rate 4 is calculated using the same metred distances and prices as set out in the proposed rate 1, plus 100%.

9.14 In mileage terms, the fare levied under the proposed rate 4 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 3 fare and the proposed rate 4 fare).

- 1 mile = £12.10 (+£2.90)
- 2 mile = £16.60 (+£3.80)
- 3 mile = £21.10 (+£4.70)
- 4 mile = £25.60 (+£5.60)
- 5 mile = £30.10 (+£6.50)

9.15 The price for rate 5 is calculated using the same metred distances and prices as set out in the proposed rate 2, plus 100%.

9.16 In mileage terms, the fare levied under the proposed rate 5 would be as follows: (please note that the figures in brackets show the difference in price between the current rate 4 fare and the proposed rate 5 fare).

- 1 mile = £15.20 (+£3.40)
- 2 mile = £20.80 (+£4.20)

- 3 mile = £27.10 (+£5.70)
- 4 mile = £32.70 (+£6.50)
- 5 mile = £39.00 (+£8.00)

9.17 At Appendix B you can see a comparative spreadsheet that shows the 4 rates of the current tariff, as well as the rates of both proposed tariffs, for a journey of 1 mile through to a journey of 5 miles. The monetary difference in pounds and pence between the current and proposed tariffs has also been included, to aid the members.

## 10. Miscellaneous Charges for Option 2

10.1 Waiting time in a hackney carriage is currently charged at a rate of 20p for every 45 seconds for rate 1 and a rate of 30p for every 45 seconds at rate 2.

10.2 This option proposes the following rates for waiting time:

- Rate 1 – 25p for every 40 seconds
- Rate 2 – 35p for every 40 seconds
- Rate 3 – 40p for every 40 seconds

10.3 Consequently, there will be an increase of 5p to the waiting time rates from the current tariff, for both rate 1 and rate 2, and the rate at which waiting time is and will subsequently be levied now occurs 5 seconds sooner than the current tariff.

10.4 As the newly proposed rate 3 is an extra rate not currently represented on the existing tariff, the waiting time rate has been freshly calculated.

10.5 Extras can also be levied, see Appendix A for the table of maximum fares that display the prices for these extras, which also includes the soling charge.

10.6 This option seeks to amend the following extras:

- For each dog, bicycle, item of furniture and white goods (carried at the discretion of the driver) – £3.00  
[currently £2.00]
- Soiling charge – £65.00  
[currently £50.00]

10.7 This option also seeks to add the following extra:

- Household removals – £25.00

10.8 At appendix D you can see a 'mock-up' of the hackney carriage table of maximum fares that displays the proposed tariff of option 2.

## 11. Consultation

11.1 All hackney carriage proprietors and drivers were consulted and were asked if they had a preference between the two options, or if the current tariff should

instead, remain in operation.

- 11.2
- 21 were in favour of option 2.
  - 10 were in favour of option 1.
  - 1 was in favour of the current tariff remaining in operation.
  - 4 abstained.
- 11.3 Out of the responses, the following comments were made:
- 11.4
- 'Sultans is going to be too expensive' – *referring to option 2.*
  - 'Although I believe the fare of these two proposals still has not gone up enough after nearly 4 years compared to private hires in last 4 years in Lincoln, however my vote goes for Sultan Mohammadi's proposal. Can you please chase this process as fast as it is possible as the inflation hit our business badly followed epidemic.'
  - 'Tom on receipt of both proposals, both proposals, the fuel price, will need changing in the extras chart, as if it's left the same we would have to be charging extras right from its introduction. Of the two proposals Mr Hearn's proposal in general I prefer, but it doesn't cover multi-passenger rates, when we are on rate 2 in rate 2 periods. The fuel charge I have already mentioned. I personally would like the waiting time changing from £16 an hour to £20 an hour (20 pence every 35 seconds). Tom I would appreciate it if you could bring my comments to the attention of the committee when you take the rate proposals to them. Ps could you get so we get a 5% rate rise every year after this rise.' 'Tom I know that I mentioned to you in my response to rate rise about the fuel charges in extras. I couldn't not believe both parties had overlooked, at updating these charges, but I am led to believe that even with a rate rise some drivers intended to still charge the extras if it's not updated. As I don't think we will ever see £1.60 a liter again and I believe it will level off around £2 a liter so I think if the £1.60 is changed to £2.20 on the extra chart. This would be more sensible.' – *for clarification, he voted for option 1.*
  - 'Thank you for providing us both Simons and Sultans fare proposals, after a cautiously reading both proposals and comparing them with the current fare tariffs, I cannot see how Simon's proposal justifies his very little increase in the fares compared to increase in prices of everything, from fuel to tyres and other car parts. Therefore I like to state that I prefer and vote for Sultans fare proposal.' – *referring to option 2.*
  - 'Hi Tom, I would like to vote for Simon Hearn's rate rise as I believe Sultans proposal is too high.'
  - 'Thank you for your e-mail regarding the New fare. I would like to let you know that I agree with the fare proposal proposed by Sultan Mohamed because of the current increase in living's special fuel prices and everything else. Look forward to hear from you.'
  - 'I would like to vote for Simons fare increase proposal please. I believe Sultans is too expensive and detrimental to our trade.' – *for clarification, he voted for option 1.*

## **12. Decision Process**

- 12.1 Whilst the comments received during the consultation should be considered, the members should note that no other options have been received from other hackney carriage proprietors. These are merely comments to the options submitted.
- 12.2 A consensus between the hackney carriage proprietors and drivers would be difficult to achieve and the Licensing Team see no benefit in carrying out consultation with the hackney carriage trade regarding the suggestions received as comments.
- 12.3 It is the opinion of the Licensing Team that if a proprietor/driver seeks to alter the tariff of fares then they themselves should submit an option.
- 12.4 The members should be aware that the tariff of fares is the maximum amount that can be levied. A discounted fare from that shown on the meter at the end of a journey can be levied by any driver if they so wish.

## **13. Other Considerations**

- 13.1 A direct comparison with the private hire trade is difficult. Hackney carriages operate as public hire vehicles and therefore should be made available to a greater cross-section of the public than private hire vehicles. To that end Lincoln hackney carriages are wheelchair accessible and are large purpose-built vehicles that are more expensive than an average private hire vehicle licensed in Lincoln. Hackney carriages have a large interior and could for instance accommodate a pushchair without the need for disassembly, a person, with a pushchair, utilising a private hire vehicle would not be able to travel in the same way. Lincoln private hire vehicles do not have to be wheelchair accessible and therefore a second-hand family saloon car would be an acceptable vehicle to be licensed and would be more affordable than a larger bespoke hackney carriage. Therefore, it can be argued that because of this, hackney carriage fares should be levied at a greater cost than private hire fares.
- 13.2 Private Hire and Taxi Monthly is a leading trade newspaper in the UK for the private hire and hackney carriage industry. It features the hackney carriage league table, to which both licence holders and many council licensing officers refer. It is a useful tool utilised by councils nationwide when setting their fares.
- 13.3 At Appendix E you can see the national hackney fares table (as of August 2022) which lists every council's fare for a 2-mile journey at tariff one. It is colour coded so that you can see when a rise was implemented.
- 13.4 Alternatively, the table can be accessed via the following webpage.  
<https://phtm.co.uk/taxi-fares-league-tables>
- 13.5 The national average 2-mile hackney fare at tariff one is now £6.46. Lincoln is currently placed at 166 (out of 355) in the table at £6.40. Please note that the placement in the table does not reflect the actual positioning in the table i.e.,

there are 20 Councils that levy the £6.40 fee, ranging from 155 in the table to 174.

- 13.6 If option 1 was successful, the 2-mile hackney fare at tariff one would be £7.60. This would place Lincoln in the 28 to 35 range of the table.
- 13.7 If option 2 was successful, the 2-mile hackney fare at tariff one would be £8.30. This would place Lincoln at number 8 in the table, level with Uttlesford.
- 13.8 So that members can compare Lincoln's current fare and both options with other local authorities, I have listed below councils in the Lincolnshire area, the fee they levy, their placement in the table, and the year of their last fare increase:
- North East Lincolnshire - £7.20 (53) 2022
  - Boston - £6.80 (87) 2022
  - East Lindsey - £6.80 (90) 2022
  - North Kesteven - £6.40 (169) 2019
  - West Lindsey - £6.40 (173) 2022
  - South Kesteven - £5.30 (321) 2012
- 13.9 Members may wish to compare more 'like for like' councils such as York, who revised their fares in 2021. They levy a fare of £7.20, which places them at number 58 in the table.
- 13.10 It is very important to note that the table at Appendix E does not fully reflect the hackney carriage situation in the respective councils. For instance, in most other councils such as West Lindsey there are more hackney carriages than private hire vehicles, in Lincoln the situation is reversed. In West Lindsey hackney carriages do not have to be wheelchair accessible and as such a family saloon car can be licensed at a lower cost. Therefore, it can be argued that the fees levied by these councils do not have to be as high as the licensed vehicles are less expensive to purchase. Also, the hackney carriage trade in these councils is the primary means of private 'taxi' transport in their area and therefore they do not have to compete with the effective competition of a private hire trade, this again is reflected by the levied fares being charged at a lower rate. Therefore, a higher hackney carriage tariff could be viewed as being unreasonable to the public if that is the public only viable option.
- 13.11 It is also important to make the distinction between a 'rural' council and a 'town council such as Lincoln. Again, it can be argued that most bookings undertaken in Lincoln are of a shorter distance and therefore a higher tariff is needed to ensure the trade can remain sustainable. In more 'rural' councils' journeys are traditionally longer and therefore fares could be set at a lower rate as the trade maintains its survival by completing fewer bookings but at a higher cost due to the average length of each journey being potentially greater.
- 13.12 Lastly, the national hackney fares table does not take into account any other rates that are levied by each of the councils, only tariff/rate 1. It is reasonable to assume that tariff 1 would be the cheapest rate and that each council may have two to three other rates that potentially could be much more expensive.

Therefore, whilst the table is a useful tool to consider it is no way gives a complete picture of the hackney carriage fares levied by each individual council.

- 13.13 The last comparison to be made is between the private hire trade in Lincoln. Again, it's difficult to compare the fares levied directly, due to the differing nature in which they are utilised. Private hire fares in Lincoln generally operate on a zonal basis. Lincoln is split into various zones; prices vary between zones and the more zones you pass through the more expensive the fare will be. For instance, travelling 5 miles in one direction may be considerably cheaper due to passing through fewer zones. Charges are also added to the fare for extra pick-ups / drop-offs. Once outside the Lincoln district a set mileage rate usually applies, this rate is different dependent on the size of the vehicle used and the day / time. Lastly, parking / toll charges are also paid directly by the customer.
- 13.14 Like hackney carriage fares, private hire fares also increase during busy periods such as on Friday night and at the weekend. Also, on specific days such as bank holidays and at Christmas and New Year. Larger vehicles and vehicles conveying 6-8 passengers are more expensive during both normal hours and busy periods, which include specific holidays. Extras are also charged including the carriage of dogs (excludes guide dogs), a soilage charge and waiting time.
- 13.15 The two largest private hire operators in Lincoln have increased their fares more than once since the pandemic began. The situation now is that private hire vehicles are more expensive that hackney carriages for shorter journeys.
- 13.16 During the writing of this report Mr Hearn (Option 1) emailed me the following:
- 13.17 'I have worked the last few Saturdays including evenings and the one common theme to come out of it is that we are considerably cheaper than private Hire now.

Some examples are

Premier Inn Canwick to Home bar £17 pH (£7.40 hc)  
Lincoln Station to Cherry Willingham £20 pH (£13 hc)  
Lincoln Station to maple Street 5 people £15 pH (£12 hc)

Whilst I understand that this is Saturday evening I am surprised we have fallen so far behind. The examples are from conversations with customers.

In view of this I will no longer be contesting Sultans pay review and I'm aware of other drivers who now feel the same. I will however still attend the meeting on the 5th September.'

- 13.18 I decided to include Option 1 in this report as a consultation exercise was undertaken with the hackney carriage trade and their views should be considered by members. Due to time constraints, there was not enough time to undergo further consultation to see if, as indicated by Mr Hearn's email, Option 2 would have received more of the vote. Regardless, Option 2 did receive a majority of the vote and the fact that Mr Hearn is no longer contesting Option 2

does not significantly change the actual outcome of the consultation.

#### **14. Committee Procedure and Timetable for any Change in Present Fare Structure**

14.1 Should a change to our current tariff be approved, the timetable for implementation would be as follows:

- Approval of Full Council – 20/09/2022.
- Advertisement and 14 day period of objections;
- Earliest realistic implementation of new tariff if no objections received – no later than November 2022

14.2 The Council must advertise the fare increase if one is approved in the local paper and specify on that notice the date on which the new hackney carriage fare tariff will come into force.

14.3 If there are objections than a hearing must be held to hear them.

14.4 If objections are received, then the table of fares must come into force with or without modifications as decided by the Council not later than two months after the first specified date on the advertisement notice.

#### **15. Organisational Impacts**

15.1 Legal

15.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 makes provision for the Council to fix the rates of fares for time, distance, and all other charges in connection with the hire of a hackney carriage.

15.3 There are no additional legal implications to consider.

15.4 Finance

15.5 Payment of advertising costs to be met by the Licensing budget.

#### **16. Recommendation**

16.1 Members views are sought as to whether to recommend to Full Council.

1. To approve all or part of any of the submitted options.
2. To determine its own fare structure; this can include rejecting the options and keeping the current tariff of fares.

**Key Decision** No

**Key Decision Reference No.** N/A

**Do the Exempt Information Categories Apply** No

**Call in and Urgency:** Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

**Does the report contain Appendices?** Yes

**List of Background Papers:** Appendix 1 Minute of Licensing Committee – 5 September 2022  
Appendix A – Hackney Carriage Table of Maximum Fares  
Appendix B – Comparative spreadsheet  
Appendix C – Proposed tariff of option 1  
Appendix D – Proposed tariff of option 2  
Appendix E – National hackney fares table

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