

North Tyneside Council

Report to Regulation & Review Committee

Date: 1 August 2024

Report from Service Area: **Public Health**

Report Authors: **Joanne Lee** **Tel: (0191) 643 6901**
Head of Public Protection, Community Safety and Emergency Planning

Wards affected: **All**

PART 1

1.1 Purpose

The purpose of the report is to consult with Committee in relation to the review of fares for Hackney Carriages. The current Hackney Carriage and Private Hire Policy indicates that the Authority will review the fare tariff when requested by the Trade.

1.2 Recommendations

The Committee is recommended to:

- I. Express its views to the Director of Public Health in relation to the request for a revision to the Hackney Carriage fare table so that Committee's views are known to the Director of Public Health when determining the review of fares.

2.0 Background Information

2.1 Background

2.1.1 The Authority will conduct a review of Hackney Carriage fares in accordance with the North Tyneside Council Hackney Carriage and Private Hire Policy. This review may be undertaken following a request by the Trade. Under the Authority's Officer Delegation Scheme the Director of Public Health has the delegated authority to set fares for hackney carriages following the appropriate consultation with the Cabinet Member and Regulation and Review Committee. That delegation is as follows:

“Fixing the fares for hackney carriages in accordance with the statutory procedure (pursuant to section 65 Local Government (Miscellaneous Provisions) Act 1976) and

following appropriate consultation with the Cabinet Member and Regulation and Review Committee.”

- 2.1.2 The former Licensing Committee agreed a formal procedure on 11 October 2001 following consultation with North Tyneside Hackney Carriage Association (NTHCA) for reviewing the table of fares for Hackney Carriages. It was agreed that each year, a formula would be used to calculate a ‘cost per mile’ figure for the operation of a Hackney Carriage. The formula takes into account vehicle running costs including insurance, and driver earnings based on average earnings for the region. The figure produced would then be used as the basis for calculating the table of fares. In November 2006 the Committee agreed revisions to the original procedure approved by Committee in 2001 to provide greater clarity and transparency in setting out the method of applying the formula. The formula itself was retained but in addition, the way in which it is applied to a proposed fare table was set out.
- 2.1.3 In recent years officers have been unable to use this formula due to two issues. Firstly, the AA no longer produce a report detailing average running costs of a vehicle. Also, the formula requires average insurance costs to be considered. Insurance Brokers no longer provide this detail due to data protection. However, a cost per mile has been calculated on the increase requested by the NTHCA for consideration.
- 2.1.4 NTHCA has submitted a request that the Authority reviews its current table of fares for Hackney Carriages. The following request has been received:

Tariff one

Reduce the yardage from 174 yards or part there of or 51 seconds to 161.3 yards or part there of or 46.8 seconds (25p)
Flag fall increased from £2.40 to £2.60

Tariff two

Reduce the yardage from 150.10 yards or part there of or 45 seconds to 140.5 yards or part there of or 45 seconds (25p)
Flag fall increased from £3.15 to £3.35

Officers have calculated the cost of the request over a three mile period for tariffs 1 and 2 to produce an average cost per mile of £3.86. The current cost per mile is £3.63. This represents an increase of 6.3%. A copy of the current fare table is attached at Appendix 1 to this report.

The NTHCA have provided the following reasons for their request for a tariff increase:

‘Vehicle purchase costs, vehicle insurance, fuel, road fund licence and last but not least cost of living increases.

This request just about keeps ones head above water.’

For comparison, neighbouring Authorities rates are as follows:

Newcastle City Council:

Tariff one

Flag fall £2.40
200.5 yards or 40 seconds – 20p

Tariff two

Flag fall £2.40
172.9 yards or 31 seconds – 20p

Gateshead Council

Tariff one

Flag fall £2.70
186.5 yards - 20p

Tariff two

Flag fall £3.30
149.9 yards – 20p

Sunderland City Council

Tariff one

Flag fall £3.00
174 yards - 20p

Tariff two

Flag fall £3.40
167.9 yards 20p

Northumberland Council

Tariff one

Flag fall £2.70
82 yards – 10p

Tariff two

Flag fall £3.30
65 yards – 10p

South Tyneside Council

Tariff one

Flag fall £2.40
185.26 yards – 20p

Tariff two

Flag fall £2.60

146.66 yards – 20p

The previous fare review came into force in February 2023. The Director of Public Health in consultation with this Committee approved a fare increase of 9% due to increased costs.

3.0 Decision Options

Committee is not being asked to make a decision in relation to this matter. This report is for Committee to provide a consultation response to the Director of Public Health.

4.0 Appendices:

4.1 Appendix 1 – Current table of fares.

5.0 Contact Officers:

5.1 Joanne Lee, Head of Public Protection, Community Safety and Emergency Planning,
Tel: 0191 643 6901
Stephanie Graham, Principal Licensing Officer, Tel: 0191 643 6969

6.0 Background Information:

6.1 The following background papers have been used in the compilation of this report and are available for inspection at the offices of the author of the report.

1. North Tyneside Council Hackney Carriage and Private Hire Licensing Policy

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and Other Resources:

There are no financial implications for the Authority arising directly from this report. Costs associated with the development of regulatory option proposals are met from existing budgets.

2.2 Legal

Chapter 5 North Tyneside Council Hackney Carriage and Private Hire Licensing Policy sets out the procedure for setting and reviewing Hackney Carriage fares.

The Authority may fix or vary a table of fares for Hackney Carriages by virtue of Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

If the Director of Public Health proposes to vary the table of fares for Hackney Carriages, the Local Government (Miscellaneous Provisions) Act 1976 requires the Authority to place a notice in at least one local newspaper setting out the variation in the table of fares and allowing a period of at least 14 days within which objections to the variation can be made.

Paragraph 5.2 of the Council Hackney Carriage and Private Hire Licensing Policy prescribes that Notices are to be published in the Evening Chronicle or similar newspaper.

In the event of the receipt of any objections during the 14 day period these would be considered by the Director of Public Health before a final decision was made in respect of any fare. A date would be set not later than two months after the first specified period of 14 days on which the table of fares shall come into force with or without modifications as decided after consideration of the objections.

If no objections are received the variation will take effect following the expiry of the 14 days notice period.

2.3 Consultation/Community Engagement:

If the Director of Public Health decides to vary the table of fares for Hackney Carriages, the Local Government (Miscellaneous Provisions) Act 1976 requires that the Authority must place a notice in at least one local newspaper setting out the variation in the table of fares and allowing a period of at least 14 days within which objections to the variation can be made.

The Director of Public Health is consulting with the Regulation and Review Committee, prior to determining this matter in accordance with her delegated authority and will also consult with the appropriate Cabinet Member.

2.4 Human Rights:

There are no human rights issues arising directly arising from this report.

2.5 Equalities and Diversity:

There are no equality and diversity implications arising directly from this report. Equality Impact Assessments will be undertaken as part of the development of regulatory option proposals.

2.6 Risk Management:

There are no significant risk management implications to the Authority arising directly from this report.

2.7 Crime and Disorder:

It is not considered that there are any crime and disorder implications arising directly from this report.

2.8 Environment and Sustainability:

It is not considered that there are any environment and sustainability implications arising directly from this report.