
Hackney Carriage Tariffs 2024

Committee considering report:	Executive
Date of Committee:	14 March 2024
Portfolio Member:	Councillor Lee Dillon
Report Author:	Moira Fraser
Forward Plan Ref:	EX4367

1 Purpose of the Report

- 1.1 It is considered best practice that Hackney Carriage Tariffs are reviewed annually, and the trade are therefore invited to submit a proposal each year should they be minded to seek any modifications to the existing table of fares. The current tariffs were updated in June 2023.
- 1.2 A request from one member of the trade for modifications to the existing tariffs and fouling charges was received in December 2023.
- 1.3 The Licensing Committee at the January 2024 meeting requested that an informal consultation take place with the trade to establish if there was wider support for the proposal which had been submitted by one local company.
- 1.4 The Executive is asked to consider the request from the member of the trade and the outcome of the informal consultation and agree whether to proceed with the formal consultation as set out in the legislation or not.

2 Recommendations

That the Executive

- 2.1 Considers the proposed modifications from the Taxi Trade (Appendix B) in light of the existing fares (Appendix A) and the outcome of the recent non-statutory consultation undertaken with the Taxi Trade as set out in Appendix C.
- 2.2 Decides whether or not to make variations to the current table of fares for hackney carriage tariffs based on the proposals set out in Appendix B this report.

If the Executive decides not to make any changes to the current table of fares at this stage they may:

- 2.3 RESOLVE to delay the decision to make any variation until later in the year; or

If the Executive decides to make any changes to the current table of fares they are asked to:

- 2.4 RESOLVE that the statutory consultation be undertaken between the 21 March 2024 and the 11 April 2024, or a longer period determined at the meeting.
- 2.5 RESOLVE that a public notice be placed in the Newbury Weekly News on the 21 March 2024, a notice be displayed at the Market Street Offices and the consultation be promoted on the website.
- 2.6 RESOLVE that a copy of the notice be emailed individually to all West Berkshire licensed Hackney Carriage Proprietors for their comments.
- 2.7 NOTE that if objections are received, and not withdrawn, the Executive at the 16 May 2024 meeting will consider the objections and determine whether the varied table of fares shall be modified or not and set a date when the varied table of fares, with or without modification, will come into operation. The implementation date must be no later than two months after the period for objections closes.
- 2.8 NOTE that if no objections are received, or if the objections are withdrawn, the varied table of fares will come into effect on the day after the statutory consultation closes.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	Other than the cost of placing an advert in a local newspaper (in 2023 the cost was circa £500) all other costs will be met from within existing resources.
Human Resource:	Any actions will be met from within existing resources
Legal:	<p>The procedure for setting fares and public notice requirements is stipulated within section 65 of the Local Government (Miscellaneous Provisions) Act 1976.</p> <p>The procedure is prescriptive and requires that a decision to make/vary a table of fares is made first. Following this, there is a statutory consultation requirement, to allow for any objections to the new table to be made. The remainder of the process is dependent on whether any objections are received (and not withdrawn).</p> <p>There is no right of appeal so any legal challenge to the decision(s) made in relation to a new/varied table of fares would be by way of judicial review.</p> <p>The function of making/varying the table of fares for hackney carriages is a function of the Executive (which could be</p>

	<p>exercised in accordance with the Council's Scheme of Delegation).</p> <p>Beth Varcoe and Thea Noli have been consulted.</p>			
Risk Management:	None			
Property:	None			
Policy:	Any consultation will be undertaken having regard to section 65 of the Local Government (Miscellaneous Provisions) Act 1976.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				

<p>A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?</p>		<p>X</p>	<p>Taxis and private hire vehicles are one of the most popular modes of transport for people with mobility difficulties. The national figures set out in the Taxi and private hire vehicle statistics, England: 2023 show that those with mobility difficulties on average undertake 10 taxi trips per person per year compared with those with no mobility difficulties who on average undertake 6 trips per person per year.</p> <p>This data also shows that on average, there was little difference in the number of trips made by taxi or PHV between men (7 trips per person per year) and women (6 trips per person per year). However, there was some variation by age, with women aged 17 to 30 taking more trips on average than men in the same age group.</p> <p>There was little difference in the overall average distance travelled by taxi and PHV between men (35 miles) and women (33 miles).</p> <p>People who are at the age of retirement are more likely to be on fixed incomes such as pensions so would be likely to be affected by any changes to the taxi fares if they rely on taxis for transport.</p> <p>The DfT data also shows that people aged 17 to 29 made the most taxi journeys compared with other age groups. Younger people may be affected by any proposed changes in fares due to the lower minimum wage for people under 23.</p> <p>Any change to fares suggested could impact young women, younger and older people and those with mobility difficulties financially, but equally there needs to be a viable taxi trade to provide a taxi service for these groups and all residents/visitors to West Berkshire.</p>
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				<p>Changes to fares could also impact those on lower or fixed incomes and those living in the rural parts of the district.</p> <p>While it is accepted that any changes to the tariffs might have a disproportionate impact on some of the protected groups any consultation agreed will seek observations on the impact of those changes.</p> <p>Any statutory consultation, as a result of a proposal to change the current fares, will be conducted in accordance with statutory requirements and provide an opportunity for protected groups to comment on impact.</p> <p>Any review of the current fares will seek to protect the public from excessive fares but at the same ensuring that this remains a profitable sector and therefore retaining drivers and operators to provide the service to those who rely on it.</p> <p>Any objections, including those relating to equalities, will be reported back to the Executive.</p>
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		See above
Environmental Impact:		X		None
Health Impact:		X		None
ICT Impact:		X		None

Digital Services Impact:		X		None
Council Strategy Priorities:	X			The provision of a viable taxi trade in the district will support a number of the priorities in the Council Strategy, in particular they are associated with a prosperous and resilient West Berkshire and thriving communities with a strong local voice
Core Business:		X		Providing support to the taxi trade forms part of the business as usual for the Public Protection Partnership.
Data Impact:				All information collected as part of the consultation will be handled in accordance with the Public Protection Partnership's Privacy Notice for Consultation and Engagement .
Consultation and Engagement:	<p>The procedure for setting fares and public notice requirements is stipulated within section 65 of the Local Government (Miscellaneous Provisions) Act 1976.</p> <p>An informal non-statutory consultation was undertaken with the trade as set out in Appendix C.</p> <p>The Licensing Committee will be consulted on the proposals in this report.</p>			

4 Introduction

- 4.1 The process of setting a fare increase is complex and a balance needs to be struck between the legitimate aims of the taxi trade to maintain profitability in the face of increasing costs, while protecting the public from excessive fares.
- 4.2 Local authorities have a statutory power to set the maximum fares that licensed hackney carriages (taxis) can charge for a journey. Under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, local authorities have the power to "...fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a "table of fares") made or varied in accordance with the provisions of this section."
- 4.3 This legislation does not specify any restrictions on the number of, or timings for subsequent changes/variations to the table of fares; a local authority can exercise their

power whenever they deem reasonable and appropriate. There is also flexibility in terms of whether the power is exercised to increase or decrease existing rates, or to devise a new table of fares altogether. The process for any statutory consultation on tariff modifications is however very prescriptive.

- 4.4 The trade is not obligated to charge the maximum fare. This means that hackney carriage drivers are within their rights to negotiate the fare down provided that the final agreed fare is no more than the maximum set.
- 4.5 A proposal to modify the current table of fares for 2024 was submitted in December 2023 by a member of the taxi trade. The Licensing Committee considered this proposal at their January 2024 meeting and requested that an informal (non-statutory) consultation be undertaken with the trade to establish if there was wider support for the proposal.
- 4.6 The Executive are asked to consider the outcome of the non-statutory consultation in light of the need to balance the profitability of the trade, retaining the local trade and protecting the users of the service. Any changes to the current tariffs would need to be subjected to a statutory consultation process.

5 Background

- 5.1 The current tariff scale set out in Appendix A was approved by the [Executive at the meeting of the 08 June 2023](#) and came into effect on the 19 June 2023. A stated aim is to have any modifications in place as close to the start of the financial year as possible to assist the trade with their financial planning. Due to the timing of the submissions from the trade for the 2023 tariffs this was not possible.
- 5.2 It has also previously been agreed by the Licensing Committee that the tariffs should be reviewed annually provided that a written submission was received from the trade and that any modifications should be in line with the Consumer Price Index (CPI).

Modifications Requested by the Trade for the 2024 Table of Fares

- 5.3 On the 30 November 2023 an email was received from a member of the trade requesting *“I just wanted to touch base with you in regards to the annual tariff increase I believe should be in place for April 24. The current rate CPI is 4.6% so I would suggest a 5% increase across all tariffs. We would also be looking for a variable fouling charge in line with the tariff. We also asked to protect the public for locked time & calendar control on the meters.”* The proposed revised table of fares, as set out in Appendix B, was then submitted to the Licensing Team on the 26 December 2023.
- 5.4 In summary, for 2024, the submission from one member of the trade has suggested that:
 - they would like to see an uplift of the maximum tariffs by about 3.02% for a two-mile journey at tariff 1 rates i.e. from £8.60 to £8.86.
 - the initial flag rate remain as is, and the increase to the tariffs be achieved by reducing the yardage (mileage per unit) for tariffs 1, 2 and 3.
 - separate tariffs for saloon and multi seater vehicles carrying five or more passengers be retained i.e. tariffs 1b, 2b and 3b.

- no increases be included for multi seater vehicles carrying five or more passengers (tariffs 1b, 2b and 3b).
- the maximum fouling charges be revisited and a variable fouling charge in line with the tariff to be introduced. This proposal is designed to take into consideration that it may be more difficult to get vehicles cleaned at certain times of the day and that fouling could result in greater loss of earnings to the owner and driver.
- It become mandatory to install calendar controlled meters to improve consumer confidence in the trade and prevent unscrupulous operators from selecting the wrong tariff.

5.5 The proposals for 2024 were discussed at the [08 January 2024 Licensing Committee](#) meeting. At the November 2023 Licensing and Committee meeting it was reported that in terms of tariffs over the past three years the fares have increased as follows:

	2021	2022	2023
West Berkshire	5%	8%	7.5%

5.6 The Licensing Committee noted that the current cost of a two-mile journey, during tariff 1 operating hours, in a saloon vehicle costs £8.60. The proposal as set out in Appendix B would result in the same journey costing £8.86 (an increase of 3.02%). Based on the current data on taxi fares published by the [Private Hire Taxi Magazine](#) this would place West Berkshire in 12th place nationally on the table of fares league just below the tariff currently in operation in Reading. A small number of Councils have already increased their tariffs in 2024 and it is likely that more will follow suit during the year.

5.7 The Licensing Committee also noted that following the consultation on taxi tariffs which came into effect in June 2023 it was agreed that a sliding scale of charges associated with fouling should be considered in respect of modifications to the 2024 tariffs. The proposal submitted in December 2023 (which would come into effect in 2024) therefore refers to that suggestion. The sliding scale is designed to take into consideration the fact that it may be more difficult to get vehicles cleaned at certain times of the day and that could result in greater loss of earnings to the owner and driver.

5.8 The December 2023 proposal includes a request to look “for a variable fouling charge in line with the tariff”. Fouling is currently charged at a maximum of (£100 interior) (£25 Exterior) for all tariffs. The trade’s proposal for 2024 is set out below.

	Tariff 1	Tariff 1b	Tariff 2	Tariff 2b	Tariff 3	Tariff 3b
Interior	£150	£150	£225	£225	£300	£300
Exterior	£50	£50	£75	£75	£100	£100

5.9 In the December 2023 submission the trade member also suggested that in order to improve consumer confidence in the trade and prevent unscrupulous operators from selecting the wrong tariff they would like to have calendar controlled meters mandated. They would also like to ensure that meters are locked. The submission opined that the vast majority of meters used in the district were capable of being calendar controlled. There might be a handful of operators using older meters that would not have this capability.

- 5.10 The Licensing Committee, in discussing the December 2023 proposal, at the January 2024 meeting agreed that the mandatory use of calendar controlled meters should be discussed as part of the ongoing work on the Hackney Carriage and Private Hire Licensing Policy. It is not a matter to be included on the table of fares.
- 5.11 In terms of the consultation methodology, they agreed to propose to the Executive that, in light of the costs, a public notice should be placed in only one newspaper and that other avenues should be used to ensure that the consultation was publicised across the district.
- 5.12 The Licensing Committee resolved that in order to ascertain the level of support for the proposed modifications to the tariffs an informal, non-statutory, consultation be undertaken with the trade to establish the level of support for the changes prior to the matter being discussed by the Executive.

Responses to the Informal Consultation

- 5.13 We received only nine responses to the informal consultation which is the same as the number received for the 2023 survey. Of those respondents six identified themselves as WBC Licensed Hackney Carriage Drivers, two as WBC Licensed Operators and one Meter Agent. Of those responses three completed the online survey and six emailed responses were received.
- 5.14 The detailed outcome of the survey is set out in Appendix C to the report. When asked about preferences for tariffs in 2024 100% (eight) of the respondents indicated that they did not want the tariffs to increase in 2024. As of the 21 February 2024 there are 167 Dual Drivers licensed in West Berkshire and 111 Hackney Carriage Vehicles.
- 5.15 In terms of the fouling charges only four respondents answered question 3: "To what extent do you agree with the proposed maximum tariffs set out in the submission for the trade in relation to fouling charges?" Two respondents (50%) agreed or strongly agreed with the proposed maximum tariffs for fouling charges. Both respondents were drivers. Two operators responded. One disagreed with the proposal and one stated that they neither agreed nor disagreed with it albeit that they commented that 'I believe £150 should be the interior fee in line with loss of earnings and cost of cleaning.'
- 5.16 Some comparator data (as of 08 January 2024) is set out in the table below.

Licensing Authority	Fouling/Soiling Charge
Reading	Interior - £70 Exterior - £25
Wokingham	Interior - £75 Exterior - £15
Royal Borough of Windsor and Maidenhead	Interior - £80 Exterior - £20
Slough	T1 and 2 £50, T3 £75
Basingstoke & Deane	T1 £50, T2 £75, T3 £100

South Oxfordshire	£150 maximum
Swindon	£75 if has to be taken off the road
Wiltshire	Minimum Fouling charge all five tariffs £100
Oxford City	£50 interior
Hart	Up to a maximum of £100
Test Valley	T1 £50, T2 £75, T3 £100
Winchester	Maximum of £75

- 5.17 One response to the informal consultation was received from one of the meter companies who commented that “Taximeters generally have 1 numeric digit for the tariff indicator, so the tariffs should be numbered 1 to 6”.
- 5.18 “The first mile calculations are incorrect, the meter starts at £5.00 and increases in 40p units therefore it’s impossible for the meter to read £5.83. For T1 the fare will be a minimum of £6.20 at the mile. The initial waiting time is not on the sheet. In T1 the initial time would be 231 seconds for £5.00 then 40p for 42 secs ($1276.5/232.1 =$ a ratio of 5.5 therefore there must be 5.5 units of time for the initial fare).”
- 5.19 The way it should be laid out is: T1 1276.5 yards or 231 seconds £5.00. Then 232.1 yards or 42 seconds 40p.” If the Executive agrees with these comments, we will amend the consultation notices to reflect this position.

6 Proposed Timetable and Consultation Methodology

- 6.1 In order to set maximum fares, the 1976 Act prescribes a statutory consultation process and a means of dealing with objections in relation to a local authority’s proposal to adopt or vary fares. The consultation must run for a minimum of 14 days. If no objections are received the decision will be implemented the day after the consultation closes. If objections are received the matter will return to the Executive for a decision which will include a date any modifications would be come into effect. This must be within two months of the consultation closing.
- 6.2 The proposed timetable for the 2024 process is set out below should the Executive be minded to consult on the revised table of fares or any elements of the proposal:

Activity/ Decision making body	Date
Initial Discussion at Licensing Committee	08 January 2024
Informal (non-statutory) consultation with the trade	15 January to 29 January 2024
Outcome of the informal consultation discussion at the Licensing Committee	13 March 2024

Pre consultation item at Executive (after going through the Council's internal governance cycle)	14 March 2024
Consultation	21 March – 04 April 2024 (must be a minimum of 14 days) Or 21 March 2024 – 11 April 2024 (as the consultation covers the Easter weekend it is proposed that it is extended by a week)
Implementation if no objections	05 th April Or if extended 12 April 2024
If objections are received Executive (after going through the Council's internal governance cycle)	16 May 2024
Implementation	17 May 2024
Report back to Licensing Committee on Outcome	July 2024

- 6.3 If the Executive are minded to consult on any modifications the Council must publish a notice setting out the proposed changes in at least one local newspaper. The Licensing Committee, following a discussion at the 08 January 2024 meeting, recommended placing a public notice in only one local newspaper. This was based on the fact that the public notices tend not to generate many responses, if any at all. Other avenues for promoting the consultation would be used including a press release, use of social media, publication on both the West Berkshire and Public Protection Partnership websites etc.
- 6.4 The notice must specify the period that readers will have to object to the change set out in the notice (the period must be at least fourteen days from the date of the first publication of the notice). As the consultation period straddles the Easter weekend it is proposed that it is extended by a week. The notice should also set out how the objections should be made. It is proposed that the notice is placed in the newspaper on the 21 March 2024 and that the consultation period run from this date until the 11 April 2024.
- 6.5 A copy of the notice must be displayed at the Council's Office and in addition a copy will also be placed on the Public Protection Partnership's website. The consultation will also be placed on the Council's consultation portal. The Licensing Council also agreed to suggest that a copy of the notice be emailed to individual members of the trade.
- 6.6 If no objection to the variation is received within the consultation period or if all objections are withdrawn, the revised fares will come into operation on the date of the expiration of the consultation period specified in the notice or the date of withdrawal of the last objection whichever date is the later.
- 6.7 If objections are received the matter will be discussed by Members at the 16 May 2024 Executive meeting. A further date would need to be set to determine when the new table of fares, with or without modifications following consideration of the objections, would

come into force. This date is required to be no later than two months after the consultation period closes (i.e. 11 June 2024).

- 6.8 A report would be taken to the July 2024 Licensing Committee meeting to inform that Committee of the outcome of the consultation and any further decision taken by the Executive, if they are required to make a further decision.
- 6.9 Comments from the Licensing Committee will be circulated under separate cover due to the timings of the meetings.
- 6.10 Having reviewed the current fares and taken into consideration the outcome of the informal non-statutory consultation the Executive may determine that they do not wish to vary or modify the fares at the present time. There would then be no need to undertake any of the statutory consultation activity as set out above.

7 Other options considered

- 7.1 Not to consider or make any variations to the tariffs.
- 7.2 To delay the decision to make any variations until later in the year.

8 Conclusion

- 8.1 Taxis play a significant role in our communities. They provide a means of mobility for many elderly and disabled residents, support those that work unsocial hours, are engaged to transport (often vulnerable) children to school and are critical to the nighttime economy. They are highly regulated for reasons of public safety and public confidence. Running costs can be high due to insurance, fuel, repairs, maintenance, and regulatory costs.
- 8.2 The issue of setting of maximum fares for hackney carriage drivers is an important one primarily for two reasons. The maximum fares set by local authorities largely determine the ability of drivers to earn a living but also functions to ensure that passengers receive a fair deal when taking a journey in a licensed hackney carriage. The Council will continue to work with the trade and consult customers and residents with a view to striking the right balance.
- 8.3 This is the first time that the informal consultation has not indicated support for amending the table of fares and Members may therefore be minded not to undertake a consultation this year or to delay it until later in the year.

9 Appendices

- 9.1 Appendix A – Existing Tariffs (saloon and Multi Seater Vehicles)
- 9.2 Appendix B – Proposed Tariffs (Table of Fares)
- 9.3 Appendix C – Outcome of the informal (non-statutory) consultation on the proposed tariffs 2024

Background Papers:

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976
Report and Minutes of the 08 January 2024 Licensing Committee Meeting

Subject to Call-In:

Yes: No:

- The item is due to be referred to Council for final approval
- Delays in implementation could have serious financial implications for the Council
- Delays in implementation could compromise the Council's position
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months
- Item is Urgent Key Decision
- Report is to note only

Wards affected: All

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