
Hackney Carriage Tariffs – 2023 (Post Consultation)

Committee considering report:	Executive
Date of Committee:	8 June 2023
Portfolio Member:	Councillor Lee Dillon
Date Portfolio Member agreed report:	25 May 2023
Report Author:	Moira Fraser
Forward Plan Ref:	EX4298

1 Purpose of the Report

- 1.1 To feedback on the statutory consultation in relation to the hackney carriage table of fares.
- 1.2 The Executive is asked to determine whether or not to modify the hackney carriage fare scale, following the Executive Decision on [23 March 2023](#), in light of the objections received (and not withdrawn) during the consultation period.

2 Recommendations

The Executive is asked to:

- 2.1 **CONSIDER** the objections and comments received during the statutory consultation as set out in Appendix A; and
- 2.2 **DETERMINE** which of the options set out at 6.1 to adopt; and
- 2.3 Should the decision be to adopt with modifications, to **AGREE** such modifications and **DETERMINE** accordingly.
- 2.4 **CONFIRM** a date of 19 June 2023 for the table of fares, with or without modification, to come into effect.

3 Implications and Impact Assessment

Implication	Commentary
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<p>Financial:</p>	<p>The cost of placing the public notices was around £950 which was met from within existing budgets. There are no other specific financial implications arising from this report.</p> <p>There is a potential for licensing income to reduce should the decision made have a detrimental impact on the number of drivers and operators working in the district. This will be monitored and managed through the Joint Management Board.</p>
<p>Human Resource:</p>	<p>None</p>
<p>Legal:</p>	<p>The procedure for setting fares and public notice requirements are 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/varied table to be made. The remainder of the process is dependent on whether any objections are received (and not withdrawn) or not.</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 exercised in accordance with the Council's Scheme of Delegation).</p> <p>As objections have been received and not withdrawn the Executive is required to determine whether or not any modifications should be made to the table of fares.</p> <p>The fouling charge can be considered under section 65 of The Local Government (Miscellaneous Provisions) Act 1976.</p> <p>Section 65 (1) provides:-</p> <p>(1) A district council may fix the rates or fares within the district as well for a 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.</p>

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	<p>As a consequence, this charge was included as part of the consultation which has followed the process set out in section 65.</p> <p><u>Section 65 (4) provides:-</u></p> <p>(4) If objection is duly made as aforesaid and is not withdrawn, the district council shall set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objections.</p> <p>As objections have been received and not withdrawn the Council can make any modifications to the table of fares, which includes the fouling charge that they consider to be reasonable, after considering the objections and following the statutory process.</p> <p>Legal Services have been consulted. (Beth Varcoe and Sarah Clarke)</p>			
Risk Management:	There would be a risk of challenge to the decision should the statutory process not be followed.			
Property:	None			
Policy:	None			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				

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<p>A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?</p>		X		<p>Nationally young women are one of the largest groups to use taxis. Other groups, such as those who are disabled and those who are elderly may also use taxis more frequently.</p> <p>Any change to fares suggested could impact these groups 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> <p>The review of the current fares is seeking 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>No comments relating to equalities were received during the consultation.</p>
<p>B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?</p>		X		See above
<p>Environmental Impact:</p>		X		A well-functioning taxi sector will assist with promoting public transport in the district.
<p>Health Impact:</p>		X		None
<p>ICT Impact:</p>				None
<p>Digital Services Impact:</p>		X		The table of fares (with or without modification) will be published on the Council's website along with the Public Protection Partnership's Website.

<p>Council Strategy Priorities:</p>		<p>X</p>	<p>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 supporting businesses to start, develop and thrive in West Berkshire.</p>
<p>Core Business:</p>		<p>X</p>	<p>Providing support to the taxi trade forms part of the business as usual for the Public Protection Partnership.</p>
<p>Data Impact:</p>		<p>X</p>	<p>All data obtained during the consultation will be dealt with in accordance with the PPP - Privacy Notice</p>
<p>Consultation and Engagement:</p>	<p>In making this decision Members will be cognisant of the comments made during the statutory consultation process undertaken in accordance with section 65 of the Local Government (Miscellaneous Provisions) Act 1976.</p> <p>An informal consultation was conducted with the taxi trade prior to the statutory consultation and the outcome of that consultation can be found here.</p> <p>The Licensing Committee were consulted on the proposals at the 23 January 2023 Committee meeting and will be informed of the outcome of this process at the 10 July 2023 meeting as was previously agreed by the Executive.</p>		

4 Executive Summary

- 4.1 The Local Government (Miscellaneous Provisions) Act 1976 section 65 gives a Local Authority the power to determine the table of fares for the hire of hackney carriages. This legislation also prescribes a statutory consultation process and a means of ensuring objections are properly considered in relation to a Local Authority's adoption of or variation to a table of fares prior to the table coming into effect.
- 4.2 The current tariff scale was confirmed by the [Executive on the 07 July 2022](#). A subsequent delegated officer decision taken on the [23 September 2022](#) sought authority to present the published hackney carriage fare table agreed at the 07 July 2022 Executive meeting in an alternative format. This was in order to remove any ambiguity around charges for multi seater vehicles and was designed to assist both the trade and their customers.
- 4.3 It was agreed at the January 2023 Taxi Trade Liaison Group meeting and the Licensing Committee that the proposed modifications (set out in Appendix D) would be brought to

the March Executive for discussion and agreement on the consultation process with a view to any modifications agreed being implemented in June or July 2023 at the latest should the Executive be minded to make any modifications. As of 2024 the proposal is to align tariff setting with the financial year, should any modifications be proposed.

- 4.4 The consultation ran from the 11th May to the 25th May 2023. As objections to the varied table of fares have been received (see Appendix A) and not withdrawn the matter must be considered further to decide whether or not to modify the table of fares before it comes into effect and to set a further date for the table to come into effect. The table of fares must come into operation by the 24 July 2023 i.e. no later than two months after the last date for making objections (25 May 2023) with or without modification.

5 Supporting Information

Introduction

- 5.1 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.
- 5.2 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."
- 5.3 Any changes to the current table of fares must be subjected to a statutory consultation process. Where objections to the proposed table of fares are received and not withdrawn, decisions are required as to whether or not to modify the revised table of fares and to set an implementation date.
- 5.4 The Department for Transport's 'Taxi and private hire vehicle licensing: best practice guidance' (March 2010) includes some guidance around taxi fares at paragraphs 52 to 54. It notes that it is "*good practice to review the fare scales at regular intervals*". The guidance emphasises that "*Fare scales should be designed with a view to practicality*" and goes on to state;

"The Department also suggests that in reviewing fares 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 sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand."

- 5.5 The trade are 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. The best practice guidance confirms;

“Taxi fares... in principle are open to downward negotiation between passenger and driver. It is not good practice to encourage such negotiations at ranks, or for on-street hailings... But local licensing authorities can usefully make it clear that published fares are a maximum...”

“There is a case for allowing any taxi operators who wish to do so to make it clear... that they charge less than the maximum fare...”

Background

- 5.6 The current tariff scale was confirmed by the [Executive on the 07 July 2022](#). A subsequent delegated officer decision taken on the [23 September 2022](#) sought, and was given, authority to present the published hackney carriage fare table agreed at the 07 July 2022 Executive meeting in an alternative format. This was in order to remove any ambiguity around charges for multi seater and saloon vehicles and was designed to assist both the trade and their customers.
- 5.7 Options for amending the tariffs were discussed at the 23 January 2023 Licensing Committee meeting as well as at the informal Taxi Trade Liaison Group meeting held in January. A non-statutory consultation was also undertaken with the trade between the 26 January 2023 and the 09 February 2023 to establish their views on the proposals put forward prior to the discussion at the March Executive meeting. (see Appendix B for the outcome).
- 5.8 The Executive, after taking the comments of the Licensing Committee and the informal consultation on board agreed to consult on the following:

	Tariff 1	Tariff 2	Tariff 3
Initial Flag			
Current	£5.00	£7.50	£10.00
Proposed	£5.00	£7.50	£10.00
Yardage			
Current	20p/135.385 yards	30p/135.385 yards	40p/135.385 yards
Proposed	40p/ 243.692 yards	60p/ 243.692 yards	80p/ 243.692 yards
First Mile			
Current	£5.40	£8.10	£10.80
Proposed	£5.80	£8.70	£11.60
Per Mile			
Proposed	£2.60	£3.90	£5.20
Current	£2.90	£4.30	£5.80
Waiting time			
Current	20p/ 24 secs £30p/h	30p/ 24 secs £45p/h	40p/ 24 secs £60p/h
Proposed	40p/43.636 £38p/h	60p/43.636 £49.50p/h	80p/43.636 £66p/h
Fouling	Interior		Exterior
Current	£75		£25
Proposed	£100		£25

- 5.9 This was largely in line with the initial request made by the trade. The main difference was that the trade had requested that the fouling charges be set at £200 (interior) and £50 (exterior). After taking the comments received during the informal consultation and some comparator data into consideration the then Executive were of the opinion that charges of £100 (interior) and £25 (exterior) should be consulted on.
- 5.10 The Executive agreed to consult between the 11th May and the 25th May 2023. A public notice was placed in both the Newbury Weekly News and the Reading Chronicle, a notice was placed in the Market Street Reception, the consultation was put onto the West Berkshire Council Consultation Hub and the Public Protection Partnership website, the trade was notified about the consultation and it was also sent to the Community Panel.
- 5.11 During the consultation the Council received seven objections to the proposals and 14 more general comments from a total of 19 respondents. Four of the objections received, all from residents, related to the proposed increase in the fares. These objectors commented that, while they acknowledged the cost of living issues being experienced by the trade, as the price of fuel was now reducing they did not feel that the proposed increases could be substantiated.
- 5.12 One objector (a Private Hire Driver) felt that the increase was not high enough based on the fact that it was an 8.5% proposed increase when inflation was running at closer to 10%.
- 5.13 Two objections (one from an operator and one from a driver) were received stating that the fouling charges proposed were too low. They commented that depending on the time of day that the incident occurred it might not be possible to have the car cleaned. This would mean that it would have to be off the road for some time or the driver would have to hire another vehicle. They felt that the charge should take potential loss of earnings and other costs incurred into account alongside the cost of cleaning the vehicle.
- 5.14 Eleven comments were received supporting the modifications. Of the 19 responses received ten were from residents, two from drivers (did not state if PH or HC), two hackney carriage drivers, two private hire drivers and three operators. Four of the supporters of the increase were residents who were of the opinion that the increases appeared to be fair and reasonable given the increase in fuel charges, the high cost of living and the inevitable increase in other costs faced by the drivers.
- 5.15 The objections and comments are set out in full in Appendix A to the report.
- 5.16 As objections have been received and not withdrawn the Executive is required to decide whether or not the revised table of fares, including the fouling charges, should be modified before it is implemented and decide the date for implementation.
- 5.17 The Executive will also need to decide a date for the table of fares as set out at Appendix D to come into effect, with or without modification. This must be by 24 July 2023 in accordance with the requirements under s.65 Local Government (Miscellaneous Provisions) Act 1976. Officers are proposing that this be the 19 June 2023 which should give the meter agents time to make provisions for the meters to be recalibrated, should this be needed.

6 Options

6.1 The Executive can either

- (a) Modify the table of fares at Appendix D; or
- (b) Approve the revised table of fares at Appendix D as drafted, without modification; or
- (c) Determine not to adopt the modifications to the table of fares set out in Appendix D

7 Other options considered

7.1 The options are outlined above in accordance with the statutory framework.

8 Appendices

- 8.1 Appendix A –Outcome of the Statutory Consultation
- 8.2 Appendix B – Outcome of the Non-Statutory Consultation
- 8.3 Appendix C – Current Table of Fares (for multi seaters and saloons)
- 8.4 Appendix D – Proposed Table of Fares (for multi seaters and saloons)

Background Papers:

Local Government (Miscellaneous Provisions) Act 1976
<http://www.legislation.gov.uk/ukpga/1976/57>

[Department for Transport Taxi and Private Hire Vehicle Licensing: Best Practice Guidance \(March 2010\)](#)

Subject to Call-In:

Yes: No:

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

Wards affected: All

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