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# Hackney Carriage Tariffs – 2024 (Post Consultation)

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<b>Committee considering report:</b>	Executive
<b>Date of Committee:</b>	23 May 2024
<b>Portfolio Member:</b>	Councillor Lee Dillon
<b>Report Author:</b>	Moira Fraser
<b>Forward Plan Ref:</b>	EX4367

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## 1 Purpose of the Report

- 1.1 To provide 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 [14 March 2024](#) to consult on the proposals submitted by a member of the trade, in light of the objections received (and not withdrawn) during the consultation period.
- 1.3 In accordance with the legislation, as the statutory consultation has been undertaken, a revised table of fares with or without modification, must be adopted by the 11 June 2024 at the latest.

## 2 Recommendations

The Executive is asked to:

- 2.1 Note the objections, supporting statements and comments received during the statutory consultation.
- 2.2 Resolve not to modify the existing tariffs from the rates agreed in 2023.
- 2.3 Resolve to modify the maximum fouling charges to those set out in paragraph 5.21.
- 2.4 Resolve that the effective date of implementation be the 27<sup>th</sup> May 2024.

## 3 Implications and Impact Assessment

Implication	Commentary
<b>Financial:</b>	The cost of placing the public notice was around £460 which

	<p>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 and Licensing data which is reported to the Licensing Committee on an annual basis.</p>
<p><b>Human Resource:</b></p>	<p>None</p>
<p><b>Legal:</b></p>	<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/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>

	<p>Consequently, 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 Advice on setting of tariffs has been received from Beth Varcoe.</p>			
<b>Risk Management:</b>	There would be a risk of challenge to the decision should the statutory process not be followed.			
<b>Property:</b>	None			
<b>Policy:</b>	None			
	<b>Positive</b>	<b>Neutral</b>	<b>Negative</b>	<b>Commentary</b>
<b>Equalities Impact:</b>				

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<p><b>A</b> 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>We received a comment on wheelchair accessible vehicles. The requirements for the trade in terms of WAVs will be included in the Hackney Carriage and Private Hire Licensing Policy. The Taxi and Private Hire Vehicles (Disabled Persons) Act 2022 which came into effect in June 2022 sets out specific rights and protections for disabled persons using hackney carriage and private hire vehicles to ensure that they are not charged extra.</p>
<p><b>B</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><b>Environmental Impact:</b></p>		X		A well-functioning taxi sector will assist with promoting public transport in the district.
<p><b>Health Impact:</b></p>		X		None

<b>ICT Impact:</b>				None
<b>Digital Services Impact:</b>		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.
<b>Council Strategy Priorities:</b>		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.
<b>Core Business:</b>		X		Providing support to the taxi trade forms part of the business as usual for the Public Protection Partnership.
<b>Data Impact:</b>		X		All data obtained during the consultation will be dealt with in accordance with the <a href="#">PPP - Privacy Notice</a>
<b>Consultation and Engagement:</b>	<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 <a href="#">here</a>.</p> <p>The Licensing Committee were consulted prior to the report coming to the March Executive meeting outside of the formal meeting process.</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 08 June 2023](#) and came into effect on the 19 June 2023. The current tariffs can be found [here](#).
- 4.3 As part of the annual review process we received a request from a member of the trade to modify the fares for 2024. It is considered best practice to review the fares on an annual basis. A report was brought to the March Executive meeting where Members agreed to undertake a statutory consultation on the proposal.
- 4.4 The consultation ran from the 21 March to the 11 April 2024. As objections to the varied table of fares have been received 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 11 June 2024 i.e. no later than two months after the last date for making objections (11 April 2024) 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, a decision is 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 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. 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 approved by the Executive at the meeting of the 08 June 2023 and came into effect on the 19 June 2023. The Council received a request to amend the tariffs for 2024 from a member of the trade in late 2023. This request formed part of the annual review of tariffs.
- 5.7 The proposals for 2024 were discussed at the 08 January 2024 Licensing Committee meeting where Members requested that an informal consultation be conducted before the matter was put to the Executive to assist them with their decision making.
- 5.8 A subsequent inconclusive non statutory consultation was undertaken with the trade in early 2024 and the outcome was reported to the March 2024 Executive. The Executive agreed that they would like to undertake a statutory consultation on the proposed changes.
- 5.9 The consultation was undertaken between the 21 March 2024 and the 11 April 2024.

## **Modifications Requested by the Trade for the 2024 Table of Fares**

- 5.10 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%.
  - 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 4 (1B), 5 (2B) and 6 (3B).
  - no increases be included for multi seater vehicles carrying five or more passengers (tariffs 4 (1B), 5 (2B) and 6 (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. The proposal is set out in the table below:

	Tariff 1	Tariff 4	Tariff 2	Tariff 5	Tariff 3	Tariff 6
Interior	£150	£150	£225	£225	£300	£300
Exterior	£50	£50	£75	£75	£100	£100

## Statutory Consultation

5.11 The following consultation took place:

- A notice was placed in the Newbury Weekly News on the 21 March 2024
- It was also posted on the Council’s Consultation Hub on the 21 March 2024 and on the Public Protection Partnership’s website on the same day.
- A copy of the notice was also placed in the Market Place Reception on the 21 March 2024.
- An email was sent to all licensed Hackney Carriage Proprietors to alert them to the consultation.
- A notification was also sent out to the 2440 people on the Community Panel.
- A Facebook message was posted on the 21 March 2024.
- A press release was issued on the 22 March 2024
- A tweet was sent out from the PPP X Account on the 22 March 2024.
- The consultation ran from the 21 March to 11 April 2024.

5.12 The Council has received 35 individual [responses to the statutory consultation](#). Fourteen responses were from drivers, three from operators, eight from residents, nine from members of the Community Panel and one from an officer in the Home to School Transport Team. Some responses are a mixture of support or objections and additional comments. We have also received a separate response signed by 78 drivers from Cabco with 77 of those drivers indicating that they are not in favour of increasing the tariffs.

5.13 Some of the respondents have indicated that they do not want to see the tariffs increase but would like to see the fouling charges increased.

5.14 In total 19 objections to the proposals have been received (18 individual responses and the joint response from Cabco). Thirteen of these were from drivers, two from operators, one from an officer in the Home to School Transport Team and three from residents.

5.15 Nine respondents supported the proposals, five of these were from members of the Community Panel, one from a resident, two from drivers and one from an operator.

5.16 We received six comments specifically about the fouling charges (three from drivers, two from operators and one from a member of the Community Panel). Some supportive of the sliding scales and others not.

5.17 Eight of the respondents provided more general comments which were neither supportive of nor objected to the proposed tariff changes. The outcome of the consultation can be found [here](#). Responses cover a range of topics, which fall outside of the tariff setting process, including wheelchair accessible vehicles, Uber and other ride share operators, presentation of the table of fares, waiting times and options for supporting the trade to ‘go greener’.



5.18 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. This must be by the 11 June 2024 in accordance with the requirements under s.65 Local Government (Miscellaneous Provisions) Act 1976. Officers are proposing that this be the 27 May 2024.

**Recommendations**

5.19 If the comments on the consultation (eight responses) are discounted 68% of the respondents (19/28) objected to the increase in tariffs in 2024. Thirteen of the fifteen drivers and two of the three operators that responded to the consultation objected to the proposed increase in the tariffs. Officers therefore recommend that the tariffs are not modified this year.

5.20 Members may however feel that they may wish to amend fouling charges. In terms of this issue a range of responses were received:

- Increasing the interior fouling charge from £100 to £150 and keeping the exterior charge at £25 across all tariff bands;
- maximum interior charge of £225 for vehicles that carry 1- 4 passengers or £300 5+ passengers exterior charge of £75 1- 4 passengers or £100 5+ passengers (to take cognisance of the fact that larger vehicles cost more to clean)
- They should be increased and generally supportive of the proposal as set out in the table in paragraph 5.10.

5.21 Based on long standing concerns about the level of fouling charges officers therefore recommend the following in relation to the maximum charges to reflect potential loss of earnings:

	Tariff 1	Tariff 4	Tariff 2	Tariff 5	Tariff 3	Tariff 6
Interior	£100	£100	£150	£150	£200	£200
Exterior	£25	£25	£50	£50	£75	£75

**Responses to General Comments**

5.22 A number of comments were received relating to waiting times. All hackney carriages are fitted with meters that calculate the fare. They typically use a combination of time and distance measurements to determine the fare. The meter uses a timer to measure the amount of time that has elapsed since the ride began and includes any waiting time when the taxi is stopped in traffic. A distance sensor is used to measure the distance that the taxi has travelled. The fare is calculated using a formula that considers the time that has elapsed and the distance that has been covered.

5.23 We recognise that the way these calculations are set out on the table of fares is complicated, but they are necessary in order for these calculations to take place. Information about the first mile (which includes the initial flag charge) and the subsequent running miles are therefore included on the table.

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- 5.24 The Council does not restrict access to Uber or other ride sharing platforms. These often operate on a zoning basis. West Berkshire does not currently fall in any zones as far as Officers are aware. The Council does not currently restrict the number of hackney carriage licences that we issue although a number have ‘grandfather rights’ to operate saloon cars.
- 5.25 The concerns raised about wheelchair accessible vehicles will be dealt with in the Hackney Carriage and Private Hire Licensing Policy. The Policy will take into consideration the relevant legislation including The Taxi and Private Hire Vehicles (Disabled Persons) Act 2022 which came into effect in June 2022. The Act sets out specific rights and protections for disabled persons using hackney carriage and private hire vehicles to ensure that they are not charged extra.
- 5.26 We have an existing scheme in place to help the taxi trade ‘go greener’ which provides a 100% subsidy of the vehicle licence for electric taxis and a 50% rebate for hybrid vehicles. You can read more about the scheme here: [West Berkshire Council - Agenda item - Helping West Berkshire Taxi Trade Go Greener \(EX4215\)](#). The Taxi Policy will also include reference to emission standards for local hackney carriage and private hire vehicles.

## 6 Other Options Considered

- (a) Adopt the table of fares at Appendix A.
- (b) Adopt the fouling charges only as included in the table of fares at Appendix A.
- (c) Adopt only the changes to the tariffs (and not the fouling charges) as included in the table of fares at Appendix A.
- (d) Determine to adopt higher or lower fares than those set out in Appendix A.

## 7 Appendices

### 7.1 Appendix A – Proposed table of Fares 2024

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#### 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

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- 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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