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# Statutory Consultation on Hackney Carriage Tariffs

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<b>Committee considering report:</b>	Licensing Committee
<b>Date of Committee:</b>	Licensing Committee 06 September 2021 Delegated Officer Decision 08 September 2021
<b>Portfolio Member:</b>	Councillor Hilary Cole
<b>Report Author:</b>	Moira Fraser
<b>Forward Plan Ref:</b>	DOD4137

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## 1 Purpose of the Report

- 1.1 To review the current hackney carriage fare scale in light of the recent non-statutory consultation undertaken with the Taxi Trade, recommend an option for the Head of Public Protection to agree to be consulted on, if required, and consider the consultation process that will be undertaken, if needed.

## 2 Recommendation

That the Committee

- 2.1 **NOTES** the existing tariffs.
- 2.2 **CONSIDERS** the outcome of the recent non-statutory consultation undertaken with the Taxi Trade as set out in Appendix B.

If Members are minded to seek a change to the current hackney carriage fare scale, in accordance with the statutory consultation process, they should

- 2.3 **CONSIDER** what variation to the current fares may be appropriate
- 2.4 **OBSERVE** that a copy of the statutory notice should be placed in the Newbury Weekly News, the Reading Chronicle, on the Public Protection Partnership's website and on display at the Market Street Council Offices.
- 2.5 **OBSERVE** that a copy of the notice should be emailed to the trade.
- 2.6 **CONSIDER** if the consultation period should run for the minimum of 14 days set out in statute or if a longer timescale should be applied i.e. 16 September to the 14 October 2021.

- 2.7 **OBSERVE** that if objections are received and not withdrawn the objections will be discussed at the 08 November Licensing Committee and a decision will be made at the 18 November 2021 Executive meeting.

### 3 Implications and Impact Assessment

Implication	Commentary			
<b>Financial:</b>	There are no specific financial implications for the Council arising from this report. The consultation, including the cost of notices in newspapers, will be undertaken using existing resources.			
<b>Human Resource:</b>	Any actions will be met from within existing resources			
<b>Legal:</b>	<p>The procedure for setting fares and public notice requirements are stipulated within section 65 of the Local Government (Miscellaneous Provisions) Act 1976. This function is currently delegated to the Head of Public Protection and Culture under the Council's Constitution.</p> <p>There is no right of appeal so any legal challenge to the final decision made would be by way of judicial review.</p> <p>Laura Knowles and Patricia Brown consulted.</p>			
<b>Risk Management:</b>	None			
<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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<b>A</b> Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		This report is seeking observations by the Licensing Committee (any decision to be taken later).
<b>B</b> Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		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>While it is accepted that any changes to the tariffs might have a disproportionate impact on some of the protected groups this report is only seeking observations on whether or not to make changes, and, if so, what changes to the current fares. 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. 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>
<b>Environmental Impact:</b>		X		None
<b>Health Impact:</b>		X		None
<b>ICT Impact:</b>		X		None

<b>Digital Services Impact:</b>		X		The notice will be placed on the website by the Public Protection Partnership
<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 supporting businesses to start, develop and thrive in West Berkshire.
<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>				None
<b>Consultation and Engagement:</b>	The procedure for setting fares and public notice requirements are stipulated within section 65 of the Local Government (Miscellaneous Provisions) Act 1976.			

## 4 Supporting Information

### 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 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.
- 4.4 Any proposed changes to the current tariffs would need to be subjected to a statutory consultation process.

## Background

- 4.5 The current tariff scale as set out in Appendix A was agreed in 2013. Since then a number of discussions have taken place with the trade about potential adjustments to these fares. The trade have had mixed views on any changes to the table of fares.
- 4.6 Options for amending the tariffs were discussed at the 21 June 2021 Licensing Committee meeting. Members decided at this meeting that they would like the trade to be consulted (non-statutory) and their views established prior to considering whether or not any changes should be taken forward to statutory consultation.
- 4.7 The Trade were asked to respond to three questions, which cover the graduation of the fare scale as well as the fares:
1. How many tariffs do you think are required?
  2. What timescales do you think should be applied to Tariffs 1 and 2?
  3. Which of the two fare options do you think should be included in the statutory consultation?
- 4.8 An online survey was circulated to all members of the taxi trade and 35 responses were received. A summary of the responses and comments made are set out in Appendix B to this report.
- 4.9 Of the 35 responses received 83% (29/35) of the consultees stated that they would like to retain the three tariffs currently in operation. The comments suggest that they believe that Tariff 3 is needed in order to incentivise drivers to work on New Year's Eve and Christmas Day when demand is usually high.

**Recommendation: That three tariffs are retained in any option to be consulted on.**

- 4.10 In addition 94% (33/35) confirmed that they would like the unsociable hour's element to remain at 22h00 in order to support the trade.

**Recommendation: That the unsociable hours element remain at 22h00 in any option to be consulted on.**

- 4.11 The question as to whether or not the fares should be increased produced mixed results. The trade had presented information at the Liaison meetings about the increased costs they were facing. The trade were therefore consulted on whether they would prefer an increase of circa 5% or an increase of circa 10%. Eight respondents did not answer this question. The comments received would indicate that perhaps this was because they felt that the fares should not be increased at all. Eighteen of the 35 respondents stated that they would like to see an increase of circa 5% and nine respondents indicated that they would like to see an increase of circa 10%. These nine responses included a response from CABCO, on behalf of their 71 drivers, who have indicated that because the fares have not been increased since 2013 and costs have risen considerably over this time they would like to see the fares increased by circa 10%. If Members are minded not to increase the tariffs there will not be any need to undertake the statutory consultation.
- 4.12 To provide some additional context a comparison of the cost of a two mile fare across 364 local authorities (only fees for 356 are actually included) as at July 2021 can be

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found at: <https://www.phtm.co.uk/newspaper/taxi-fares-league-tables>. A selection are set out below

Authority	Position	2 Mile Fare
London Heathrow	1	£11.40
Guildford	6	£7.60
Reading	15	£7.20
Wiltshire	30	£7.00
Vale of White Horse	33	£6.90
Swindon	57	£6.70
West Berkshire		£6.65
Basingstoke and Dean	61	£6.60
Oxford	97	£6.40
Wokingham	108	£6.40
Bracknell Forest	163	£6.00
Slough	184	£6.00
Windsor and Maidenhead	233	£5.80
Middlesbrough	356	£4.30
<i>Lowest fee listed</i>		

**Recommendation:** That Members consider the responses and observe what, if any, change to the fares they would like to see implemented and taken forward to

**statutory consultation (only one option can be consulted on under the statutory process).**

- 4.13 As fare scales should be designed with a view to practicality a meeting also took place with a local representative of the taximeter providers and he explained the limitations of the meters and provided a set of tariffs that could be accommodated on the meters. A proposed set of fares for a 5% increase are set out in the Appendix B. If Members were minded to propose a 10% increase the figures set out on the consultation document would be adjusted to reflect this decision.

## **Proposals**

- 4.14 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.
- 4.15 If Members are minded to seek any adjustment to the fares, and subsequently a decision is taken to make change(s) the Council must publish a notice setting out the proposed changes in at least one local newspaper. It was agreed at the June meeting that any notice should be placed in both the Newbury Weekly News and the Reading Chronicle. 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). 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 16 September 2021 and that the consultation period run from this date until the 14 October 2021. The Licensing Committee is asked to consider if they are of the view that this period is acceptable or not.
- 4.16 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 Council could also choose to email a copy of the notice to individual members of the trade.
- 4.17 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.
- 4.18 If objections are received the matter will be discussed by Members at the 08 November 2021 Licensing Committee meeting and a report will be taken to the 18 November 2021 Executive meeting for a decision, in accordance with the Scheme of Delegation. The revised table of fares will come into operation in early December. This date is required to be no later than 2 months after the consultation period.

## **5 Other options considered**

- 5.1 Not to consider any variations to the tariffs.
- 5.2 Any additional options proposed by the Members at the meeting.

## 6 Conclusion

- 6.1 The issue of setting fares for hackney carriage drivers is an important one primarily for two reasons. The fares set by local authorities largely determine the ability of drivers to earn a decent living but also functions to ensure that passengers receive a fair deal when taking a journey in a licensed hackney carriage. Having consulted the trade, Members are asked to seek a way forward in terms of fare setting

## 7 Appendices

- 7.1 Appendix A – Existing Tariffs

- 7.2 Appendix B – Outcome of the Non-Statutory Consultation process

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### Background Papers:

None

### 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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