
Meeting	General Purposes Committee
Portfolio Area	Communities, Community Safety and Equalities
Date	13 July 2023

HACKNEY CARRIAGE TARIFF REVIEW

NON-KEY DECISION

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1 PURPOSE

- 1.1 To review the current hackney carriage fares/tariffs.

2 RECOMMENDATIONS

- 2.1 That the Committee determines the options to review the tariff and determine whether the tariff should be increased or remain at the current level.

3 BACKGROUND

- 3.1 The fixing of fares for hackney carriages within the district is governed by the Council by virtue of section 65 of the Local Government (Miscellaneous Provisions) Act 1976. This must be published by means of a tariff table. The last change in fares took effect on 2 April 2022; a copy of the current tariff table is attached as Appendix 1.
- 3.2 It was resolved at General Purposes Committee meeting on 24 March 2022 that there will be an annual review of taxi tariffs.
- 3.3 To review taxi tariffs, the Licensing Authority has undertaken preliminary consultation with the trade (all hackney carriage and private hire drivers and operators) to ascertain options to include in the consultation. A summary of the results of the preliminary engagement survey can be seen in Appendix 2. Copies of all responses

received will be available for scrutiny by the General Purposes Committee upon request. This information will not be publicly available in line with General Data Protection Regulations.

- 3.4 A Notice was advertised in the local press on 22 and 29 June 2023 and a copy made available for inspection at the Council offices for the same period in accordance with the legislation. Copies of the newspaper notices are attached as Appendix 3 and a copy of the public notice is attached as Appendix 4.
- 3.5 In addition, all licensed drivers and licensed private hire operators in the Council's area have been contacted via e-mail or letter advising recipients of the review consultation. A copy of this correspondence is attached as Appendix 5.
- 3.6 The public notices required any comments or option preferences to be made in writing or through completion of a survey. Comments/option preferences had been received by response of survey from 72 persons. 51 dual licensed drivers (22 as Hackney Carriage Drivers and 29 as Private Hire Drivers), 1 Private Hire Operator and 20 members of the public:

Questions 1-2 – Answered by everyone

Questions 3-7 – Answered by Hackney Carriage Drivers only

Questions 8-12 – Answered by Private Hire Drivers only

Questions 13-18 – Answered by Private Hire Operators only

Questions 19-23 – Answered by members of the public only

A summary of the consultation survey response is attached as Appendix 6. Copies of all responses received will be available for scrutiny by the General Purposes Committee upon request. This information will not be publicly available in line with General Data Protection Regulations.

4 DISCUSSION

- 4.1 The Private Hire and Taxi Monthly magazine, a trade publication, maintains a national fare table which provides useful comparisons of taxi tariffs between local authorities. The position in Hertfordshire and Bedfordshire is summarised in Table 1 below.
- 4.2 If the proposed Option 1 tariff were adopted Stevenage fares would be on a par with Birmingham, Canterbury, Leicester and Solihull.; a total of 13 local authorities currently have a charge of £7.40 for a two mile journey.
- 4.3 If the proposed Option 2 tariff were adopted Stevenage fares would be on a par with Basingstoke & Deane, South Somerset, Southampton and Winchester; a total of 10 local authorities currently have a charge of £7.60 for a two mile journey.
- 4.4 If the proposed Option 3 tariff were adopted Stevenage fares would be on a par with Carlisle, Chichester, Medway and more locally, Welwyn & Hatfield; a total of 21 local authorities currently have a charge of £7.00 for a two mile journey.

Table 1: Comparison of local taxi fares

National ranking	Local authority	Tariff One (two-mile fare)
8	St Albans	£9.15
19	Watford	£8.40
25	Broxbourne	£8.20
27	East Herts	£8.20
40	Central Beds	£8.05
64	Dacorum	£7.70
79	Stevenage (Option 2)	£7.60
87	North Herts	£7.50
103	Stevenage (Option 1)	£7.40
132	National Average	£7.12
153	Hertsmere	£7.00
161	Stevenage (current)	£7.00
163	Welwyn Hatfield	£7.00
172	Bedford	£6.80
211	Three Rivers	£6.70
234	Luton	£6.50

- 4.5 The proposed increase options were considered warranted due to costs resulting from, the common use of card payment facilities that incur a transaction fee and the rising costs of living, incorporating fuel, maintenance, replacing vehicles and station permits.
- 4.6 In April 2022 the average price of a litre of unleaded petrol was 163.36 pence while a litre of diesel was 177.3 pence. In June 2023 the average prices were 143.15 pence and 145.93 pence respectively (source: RACfoundation.org)
- 4.7 Regarding other motoring costs, since April 2022, all costs of motoring have increased by 10.65% with maintenance costs having increased by an average of just under 12% while tax and insurance have increased by an average of 79% (source: RACfoundation.org).
- 4.8 In terms of changes in the cost of living in cost of living, The Consumer Prices Index (CPI) rose by 8.7% in the 12 months to May 2023, unchanged from April 2023. On a monthly basis, CPI rose by 0.7% in May 2023, compared with a rise of 0.7% in May 2022. Rising prices for air travel, recreational and cultural goods and services, and second-hand cars resulted in the largest upward contributions to the monthly change in the CPI annual rates. (source:www.ons.gov.uk).
- 4.9 In Stevenage hackney carriages are required by licence conditions to be fitted with taximeters. Private hire vehicles may also fit taximeters, and in practice many do, but the tariff only applies by law to hackney carriages. The extant tariff must be programmed into hackney carriage taximeters, which are then bound by the fare displayed on the meter at the end of the journey; that is they must not charge any more than the figure displayed. Private hire drivers and operators have an interest in the hackney carriage tariff since it may be programmed into their taximeters but in practice they are entitled to charge any fare they desire, provided it has been agreed with the passenger or passengers before a journey begins.

- 4.10 Several the larger operators in Stevenage charge in accordance with fixed price promotions on a permanent basis; £9 maximum fee for one pick up and drop off in the Stevenage area from 9am to 9pm. In certain instances this could result in fares for longer journeys within the town made with private hire vehicles and drivers operated by these companies undercutting the cost of equivalent journeys in a Hackney Carriage. Journeys in a private hire vehicle could only be made following advanced booking however. It should also be noted however that the income of large operators depends largely on the number of drivers they have on their circuits and the extent of their penetration of the corporate and contract markets rather than fare levels per se.
- 4.11 Summary of responses to Question 1: Please let us know what you think of the current minimum fare and taxi tariffs (black cab) tariffs

We received 65 general comments about taxi fares in the free text question. The table below shows the main themes of the comments and the number of comments we identified within each theme, categorised by respondent type.

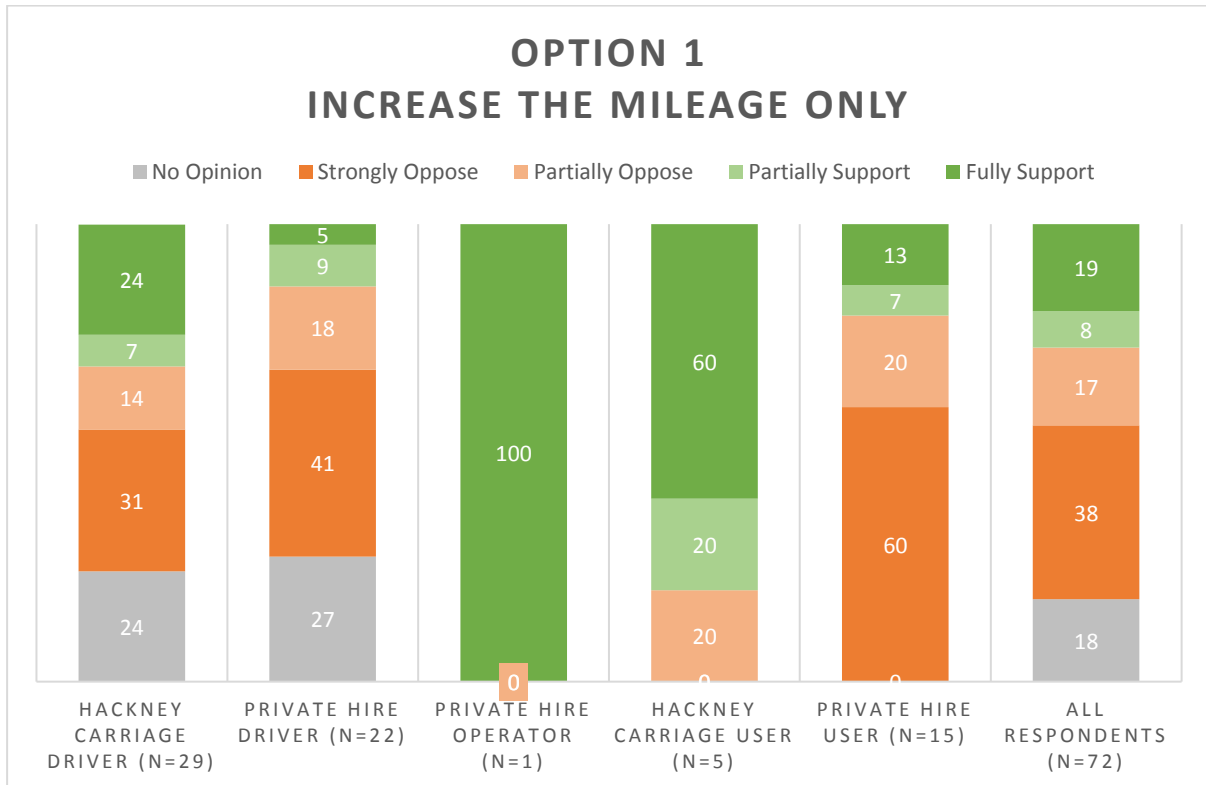
Theme	Hackney Carriage Driver	Private Hire Driver	Private Hire Operator	Public – Hackney Carriage User	Public - Private Hire User	All Respondents
Taxi fares are already expensive/too high/should be reduced	0	0	0	2	3	5
Taxi fares should be increased because of cost of living/running costs/overheads of taxi drivers	10	9	0	1	1	21
Increasing taxi fares will put me/taxi drivers out of business/reduce the number of people using taxis/ruin the taxi trade	1	0	0	0	1	2
Support/agree with increasing the cost of fares/tariffs/need to support taxi drivers	18	18	0	2	4	42
Current fares are at a suitable level and no change is needed.	6	3	0	1	6	16

4.12 Summary of responses relating to Option 1

72 people responded to this option. It was found that:

- 45 per cent of Hackney Carriage drivers opposed this option
- 59 per cent of Private Hire drivers opposed this option
- 65 per cent of the public opposed this option
- 55 per cent of all respondents opposed this option

The chart below shows percentage response rates from each respondent type.



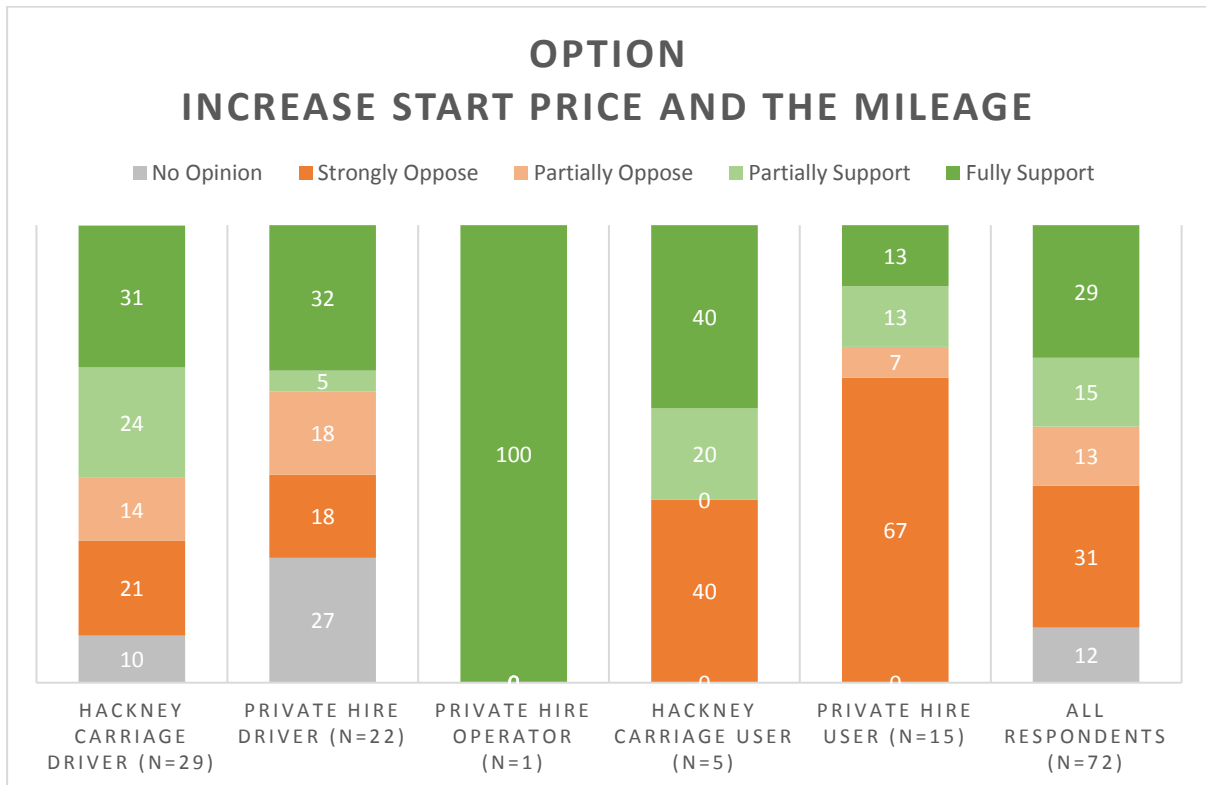
Option 1 (%)	Hackney Carriage Driver (n=29)	Private Hire Driver (n=22)	Private Hire Operator (n=1)	Hackney Carriage User (n=5)	Private Hire User (n=15)	All Respondents (n=72)
Fully Support	24	5	100	60	13	19
Partially Support	7	9	0	20	7	8
Partially Oppose	14	18	0	20	20	17
Strongly Oppose	31	41	0	0	60	38
No Opinion	24	27	0	0	0	18

4.13 Summary of responses relating to Option 2

72 people responded to this option. It was found that:

- 55 per cent of Hackney Carriage drivers supported this option
- 37 per cent of Private Hire drivers supported this option
- 65 per cent of the public opposed this option
- 44 per cent of all respondents supported this option

The chart below shows percentage response rates from each respondent type.



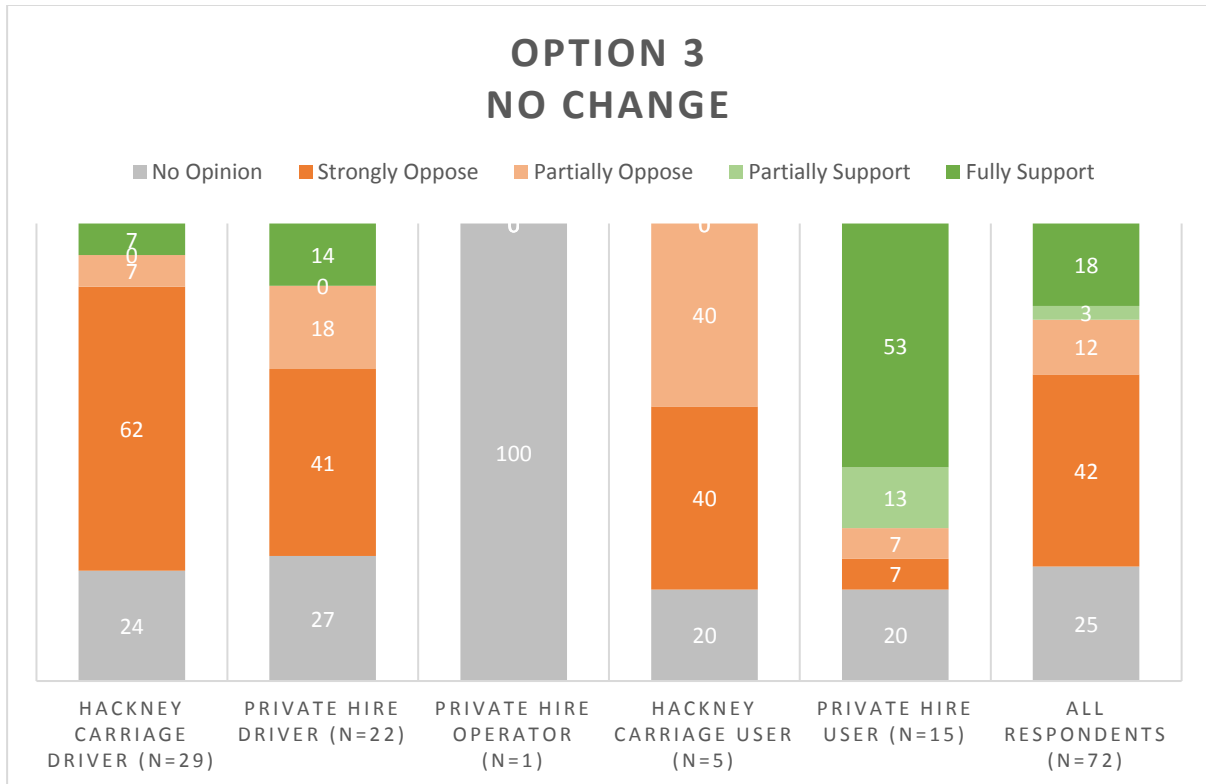
Option 2 (%)	Hackney Carriage Driver (n=29)	Private Hire Driver (n=22)	Private Hire Operator (n=1)	Hackney Carriage User (n=5)	Private Hire User (n=15)	All Respondents (n=72)
Fully Support	31	32	100	40	13	29
Partially Support	24	5	0	20	13	15
Partially Oppose	14	18	0	0	7	13
Strongly Oppose	21	18	0	40	67	31
No Opinion	10	27	0	0	0	12

4.14 Summary of responses relating to Option 3

72 people responded to this option. It was found that:

- 69 per cent of Hackney Carriage drivers opposed this option
- 59 per cent of Private Hire drivers opposed this option
- 50 per cent of the public supported this option
- 54 per cent of all respondents opposed this option

The chart below shows percentage response rates from each respondent type.



Option 3 (%)	Hackney Carriage Driver (n=29)	Private Hire Driver (n=22)	Private Hire Operator (n=1)	Hackney Carriage User (n=5)	Private Hire User (n=15)	All Respondents (n=72)
Fully Support	7	14	0	0	53	18
Partially Support	0	0	0	0	13	3
Partially Oppose	7	18	0	40	7	12
Strongly Oppose	62	41	0	40	7	42
No Opinion	24	27	100	20	20	25

- 4.15 Consultees were given the opportunity to give us their comments and feedback in a free text box.

44 people provided their comments:

The top themes from responses to this question are summarised below. The summarised top themes do not include 'Other comments' where a number of themes with only one or two comments have been wrapped into one theme, or out of scope comments.

Theme	Number of Respondents
Taxi fares should be increased because of cost of living/running costs/overheads of taxi drivers (e.g. fuel, card processing, app fees, vehicle costs, maintenance)	12
Taxi fares are already expensive/too high/should be reduced (general comments)	3
Support/agree with increasing the cost of fares/tariffs/need to support taxi drivers (general comment)	15
Fares are competitive and should stay the same	5
Fares should increase by small amounts/with inflation each year	2
Only the start price should increase. Mileage should stay the same.	3
What encouragement is there towards green transport? Have you considered "green fares"?	2

5 OPTIONS FOR ACTION

- 5.1 The Committee is now invited to review the proposed taxi tariff change. The options are to:

- a) Accept the proposal as submitted and apply the new tariff effective from a date not more than two months after the operational date specified in the public notice (20 July 2023).
- b) Modify the submitted proposal and apply the new tariff effective from a date not more than two months after the operational date specified in the public notice (20 July 2023).
- c) Leave the current tariff in place unaltered. There is no specific facility in the legislation to enable this and so in effect the current tariff would have to be re-implemented following the process at b) above.

6. IMPLICATIONS

6.1 Financial Implications

- 6.1.1 There are no direct resource implications for the Council arising from the content of this report.

6.2 Legal Implications

- 6.2.1 There is no right of appeal against the fares once set. The only remedy for an aggrieved party would be to seek a judicial review.

6.2.2 The Committee's attention is also drawn to section 17 of the Crime and Disorder Act 1998, which requires local authorities to consider the community safety implications of all their activities. This is a corporate responsibility of the authority as a whole.

6.3 Policy implications

6.3.1 There are no policy implications arising from the content of this report.

6.4 Equalities and Diversity Implications

6.4.1 Any decision by the Committee is based on evidence before it at the meeting; there are no equalities and diversity implications arising from this report.

7 BACKGROUND DOCUMENTS

Local Government (Miscellaneous Provisions) Act 1976;

Town Police Clauses Act 1847

8 APPENDICES

1. Current Tariff Table
2. Preliminary Trade Engagement Survey Summary
3. Newspaper notice
4. Public Notice of the proposals for review
5. Email to trade re Consultation Survey
6. Taxi Tariff & Fares – Annual Review Survey Summary