

**Meeting**            General Purposes Committee  
**Portfolio Area**    Communities, Community Safety and Equalities

**Date**

## **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 1<sup>st</sup> August 2023; a copy of the current tariff table is attached as Appendix 1.

3.2     It was resolved at GP Committee meeting 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 5<sup>th</sup> and 12<sup>th</sup> September 2024 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 email 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 32 persons. dual licensed drivers (16 as Hackney Carriage Drivers and 14 as Private Hire Drivers), 2 Private Hire Operators and 0 members of the public:

Questions 1-2 – Were to be 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 Waverley, Rochford and Southend on Sea; a total of 10 local authorities currently has a charge of £7.80 for a two-mile journey.
- 4.3 If the proposed Option 2 tariff were adopted Stevenage fares would cost £7.85 for a two-mile journey which isn't charged by any other authority. Only one local authority - Rother, currently has a charge of £7.90 for a two-mile journey.
- 4.4 If the proposed Option 3 tariff were adopted, Stevenage fares would be on a par with Three Rivers, Bristol, and Leicester; a total of 15 local authorities currently have a charge of £7.60 for a two-mile journey.

**Table 1: Comparison of local taxi fares**

National ranking	Local authority	Tariff One (two-mile fare)
11	St Albans	£9.15
36	Watford	£8.40
43	East Herts	£8.20
42	Broxbourne	£8.20
59	Central Beds	£8.05
	Stevenage (Proposed T2)	£7.85
	Stevenage (Proposed T1)	£7.80
86	Dacorum	£7.70
104	Three Rivers	£7.60
<b>102</b>	Stevenage Current/Proposed T3	<b>£7.60</b>
117	North Herts	£7.50
152	Luton	£7.20
<b>132</b>	<b>National Average</b>	<b>£7.18</b>
186	Welwyn Hatfield	£7.00
178	Hertsmere	£7.00
196	Bedford	£6.80

- 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 2024 the average price of a litre of unleaded petrol was 145.72 pence while a litre of diesel was 163.8 pence. In June 2023 the average prices were 143.15 pence and 145.93 pence respectively (source: RACfoundation.org) Filling up the average car (55 ltrs) in October 2023 was £86 and this cost in September 2024 was £75 [Weekly road fuel prices - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/weekly-road-fuel-prices)
- 4.7 Regarding other motoring costs, since April 2023 all costs of motoring have increased by 5.58% with maintenance costs having increased by an average of 9.22% while tax and insurance have increased by an average of 62.98% - all since April 2023 (source: RACfoundation.org).
- 4.8 In terms of changes in the cost of living in cost of living, The Consumer Prices Index (CPI) including rose by 2.1% in the 12 months to August 2024, with the Consumer Price Index including Owner Occupier (CPIH) rising by 3.1% in the 12 months to August 2024. On a monthly basis, CPI rose by 0.4% in August 2024, compared with a rise of 0.7% in May 2023. 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 of 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 accumulation of the corporate and contract markets rather than fare levels per se.
  
- 4.11 We received 11 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 with a summary of the responses available upon request.

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)	2
Taxi fares are already expensive/too high/should be reduced (general comments)	0
Fares are fair/competitive and should stay the same	3
Fares should increase by small amounts/with inflation each year	3
Only the start price should increase. Mileage should stay the same.	1
Taxi fare increase for mileage only	1
Taxi fare increase for starting fare only	1

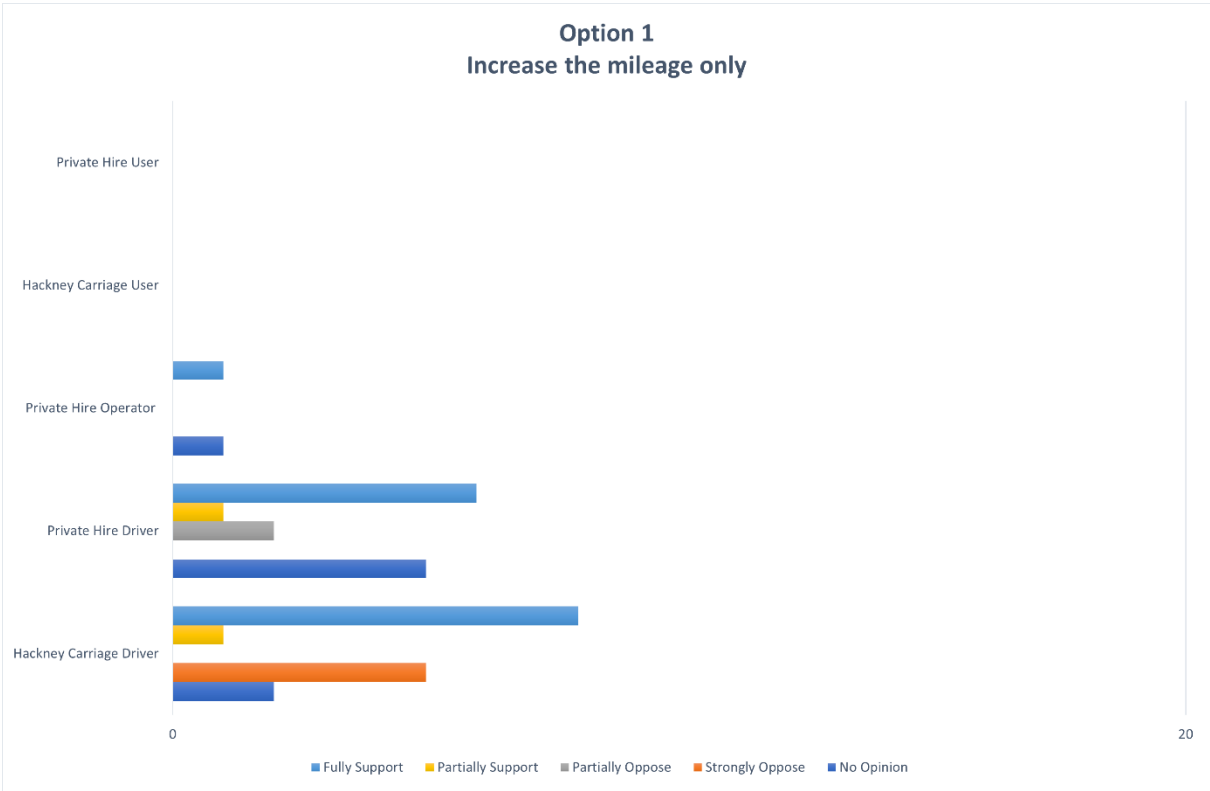
4.12 Summary of responses relating to Option 1

32 people responded to this option. We found that:

- 17 of all respondents supported this option,
- 1 Private Hire Operator fully supported this option & 1 had no opinion,
- 5 Hackney Drivers Opposed this option,
- 2 Private hire drivers opposed this option,
- 8 of all respondents had no opinion.

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

Option 1	Hackney Carriage Driver	Private Hire Driver	Private Hire Operator	Hackney Carriage User	Private Hire User
No Opinion	2	5	1	0	0
Strongly Oppose	5	0	0	0	0
Partially Oppose	0	2	0	0	0
Partially Support	1	1	0	0	0
Fully Support	8	6	1	0	0

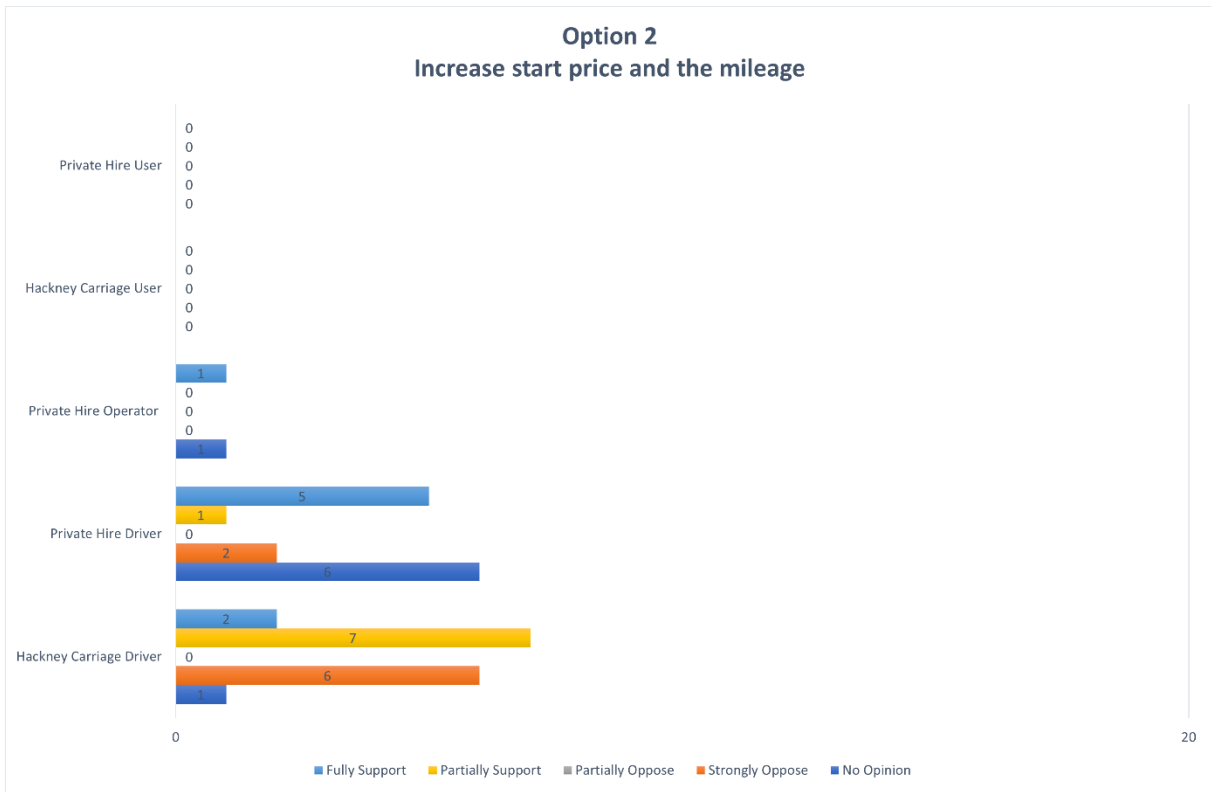


Summary of responses relating to Option 2

- 32 people responded to this option. We found that:
- 16 respondents overall supported this option,
  - 1 Operator supported this option, 1 had no opinion,
  - 6 Hackney drivers opposed this option,
  - 2 Private hire drivers opposed this option,
  - 8 respondents overall had no opinion,

The chart below shows response rates from each respondent type.

<b>Option 2</b>	<b>Hackney Carriage Driver</b>	<b>Private Hire Driver</b>	<b>Private Hire Operator</b>	<b>Hackney Carriage User</b>	<b>Private Hire User</b>
No Opinion	1	6	1	0	0
Strongly Oppose	6	2	0	0	0
Partially Oppose	0	0	0	0	0
Partially Support	7	1	0	0	0
Fully Support	2	5	1	0	0



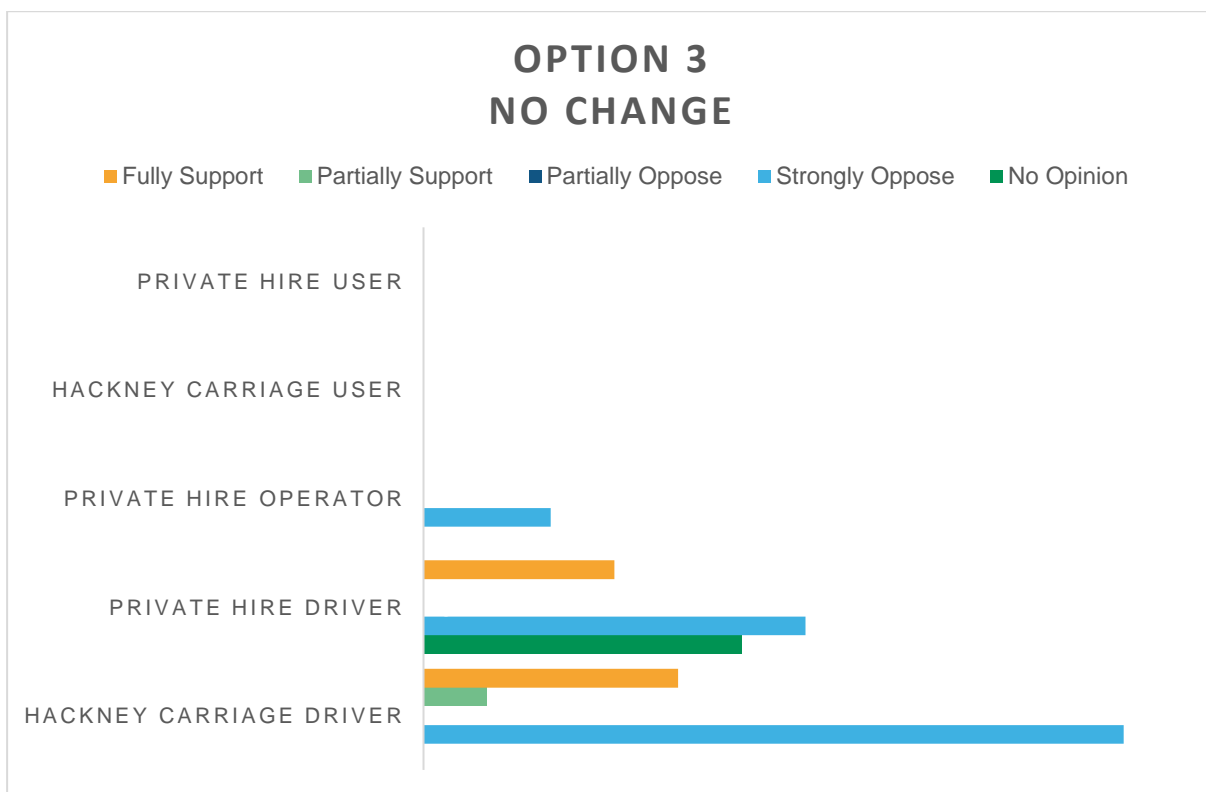
### Summary of responses relating to Option 3

32 people responded to this option. We found that:

- 8 Respondents overall supported this option,
- 6 Private Hire drivers opposed this option,
- 8 Hackney drivers opposed this option,
- 2 Private hire operators opposed this option,
- 5 Respondents overall had no opinion.

The chart below shows response rates from each respondent type.

	Hackney Carriage Driver	Private Hire Driver	Private Hire Operator	Hackney Carriage User	Private Hire User
<b>Option 3</b>					
No Opinion	0	5	0	0	0
Strongly Oppose	11	6	2	0	0
Partially Oppose	0	0	0	0	0
Partially Support	1	0	0	0	0
Fully Support	4	3	0	0	0



## 5 OPTIONS FOR ACTION

5.1 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 on 21<sup>st</sup> October 2024, or nominate a date which is not more than two months after the operational date specified in the public notice.
- b) Modify the submitted proposal and apply the new tariff effective from 21<sup>st</sup> October, or nominate a date not more than two months after the operational date specified in the public notice.
- 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.