

Meeting General Purposes Committee

Portfolio Area Communities, Community Safety and Equalities

Date 27th November 2025

HACKNEY CARRIAGE TARIFF REVIEW

NON-KEY DECISION

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1 PURPOSE

- 1.1 To review the current hackney carriage fare tariffs. The review aims to ensure:
- Fares remain fair to both drivers and passengers
 - Tariffs reflect the current operating costs (fuel, insurance, maintenance etc)
 - The service remains accessible and affordable for all members of the community.

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 21st October 2024; 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 The 2025 review of the Council's tariff of fares was delayed this year to allow Stevenage Borough Council to conduct a comprehensive review of the fees and charges related to the licensing of taxi and private hire vehicles, drivers and operators. This ensured that the outcome of the review was available and provided the licensed trade with the necessary information to make an informed decision regarding the taxi tariff review.
- 3.4 The Licensing Authority conducted a preliminary consultation with the trade, which included all hackney carriage and private hire drivers and operators, from 18th July to 1st August. This consultation aimed to gather feedback on potential options to be included in the formal public consultation.
- 3.5 A summary of the results of the preliminary engagement survey can see 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.
- 3.6 The licensed trade has also advised the Licensing Authority via elected members and through taxi forum discussions, that fares should be structured to produce more rounded final amounts. This approach is considered particularly helpful for passengers paying by cash, as fares ending in amounts such as £11.78 are viewed impractical.
- 3.7 The Licensing Authority have carefully considered the feedback received and developed four tariff review options for further consideration. A detailed breakdown of each of these options is attached at **Appendix 3**.

Consultation

- 3.8 The Licensing Authority held a 28-day public consultation on four proposed tariff options from 15th October to 12th November 2025. Full details of the options, along with instructions for submitting responses, were published on the Council's website. Additionally, a Public Notice was displayed at the Customer Service Centre, Daneshill House, and published in the *Comet* newspaper on 23rd October 2025. Copies of the newspaper notices are attached as **Appendix 5** and a copy of the public notice is attached as **Appendix 6**.
- 3.9 Email notifications were sent to all Stevenage-licensed taxi and private hire drivers and operators. During the consultation period, a taxi forum was held, providing an opportunity for the Licensing team to discuss the proposals, address questions, and listen to concerns from the trade. Social media posts were also published on 10th and 12th November to promote the consultation. A copy of the email to the trade and stakeholders is attached at **Appendix 4** and a copy of the social media post is included in **Appendix 7**.
- 3.10 In addition, Emails were sent to various stakeholders, including police, GP and health centres, community groups, faith organisations, and educational institutions. A full list of consultees is attached at **Appendix 8**.
- 3.11 The public notices requested that any comments or preferences regarding options be submitted in writing or through the completion of a survey.
- 3.11 A summary of the consultation survey response is attached as **Appendix 9**. 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 cost £8.05 for a two-mile journey which isn't charged by any other local authority. Only one local Authority, Mole Valley currently has a charge of £8.08 for a two- mile journey.
- 4.3 If the proposed Option 2 tariff were adopted, Stevenage fares would cost £8.10 for a two-mile journey, this would be on par with Hastings, Ipswich and Oxford City. A total of four local authorities currently has a charge of £8.10 for a two- mile journey.
- 4.4. If the proposed Option 3 tariff were adopted, Stevenage fares would cost £7.90 for a two-mile journey, this would be on a par with Denbighshire, Hinckley & Bosworth and Rother. Only 3 local authorities currently charge £7.90 for a two-mile journey.

Table 1: Comparison of local taxi fares

National ranking	Local authority	Tariff One (two-mile fare)
12	St Albans	£9.15
15	Hertsmere	£9.08
51	Watford	£8.40
61	East Herts	£8.20
60	Broxbourne	£8.20
	Stevenage (Proposed Option 2)	£8.10
	Stevenage (Proposed Option 1)	£8.05
	Stevenage Proposed Option 3)	£7.90
113	Dacorum	£7.70
116	North Herts	£7.70
135	Three Rivers	£7.60
142	Bedford	£7.50
177	Central Beds	£7.25
179	National Average	£7.24
185	Luton	£7.20
214	Welwyn/Hatfield	£7.00

- 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, station permits and the rise in the Councils fees and charges associated with the licensing of taxi/private hire drivers, vehicles and operators which is due to be implemented on the 1st January 2026.
- 4.6 In April 2025 the average price of a litre of unleaded petrol was 135.6 pence while a litre of diesel was 143.3 pence. In June 2024 the average prices were 145.76 pence and 151.51 pence respectively (source: RACfoundation.org) Filling up the average car (55 ltrs) in November 2024 was £74.25 for unleaded petrol and this cost in November 2025 was £74.80 [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 2024 all costs of motoring have increased by 0.84% with maintenance costs having increased by an average of 13.41% while tax and insurance have increased by an average of 15.39% - all between April 2024 and September 2025 (source: RACfoundation.org).
- 4.8 In terms of changes in the cost of living, The Consumer Prices Index (CPI) rose by 4.1% in the 12 months to September 2025, with the Consumer Price Index including Owner Occupier (CPIH) rising by 3.8% in the 12 months to September 2025, unchanged. On a monthly basis, CPI rose by 0.1% in September 2025, which is the same rate as in September 2024. Transport made the largest upward contribution to the monthly change in the CPI annual rates: recreation and culture, and food and non-alcoholic beverages made the largest offsetting downward contributions. (source: www.ons.gov.uk).
- 4.9 Hackney carriage vehicles are required by law to be fitted with a taximeter, which must be programmed in accordance with the table of fares approved by the local authority that licenses them. Drivers are legally bound by the fare displayed on the meter at the end of a journey and must not charge more than the amount shown.
- 4.10 Private hire vehicles, which operate only for pre-booked journeys arranged through a licensed operator, may also be fitted with taximeters that are programmed to the local authority's table of fares. In practice, many Stevenage-licensed private hire vehicles are equipped with taximeters; however, private hire fares must be agreed between the passenger and the operator prior to the start of the journey. For certain journeys, operators may request that private hire drivers calculate the fare using the meter.
- 4.11 Several of the larger private hire operators in Stevenage offer fixed-price promotions on a permanent basis, such as a maximum fare of £9 for a single pick-up and drop-off within the town between 9am and 9pm. In some cases, this may result in fares for longer journeys within Stevenage being lower than the equivalent journeys in a hackney carriage. Private hire journeys can only be undertaken following an advanced booking. It should also be noted that the revenue of large operators is primarily influenced by the number of drivers on their circuits and their share of the corporate and contract markets, rather than the level of individual fares.

Consultation findings

- 4.12 The following four tariff options were presented for public consultation:

Option	Details
1	Increase the mileage only <ul style="list-style-type: none"> • Freeze the initial fare at £3.85 • This option would increase Tariffs 1, 2 and 3 by an average of 3%
2	Increase start price and mileage <ul style="list-style-type: none"> • Increase the initial fare by 5 pence (£3.85 to £3.90) for first 528 yards. • 5p increase for each additional 220 yards (or part thereof) amended from 194 yards • Increase Tariffs 1, 2 and 3 by an average of 4%
3	Increase start price only <ul style="list-style-type: none"> • Increase the initial fare by 5 pence (£3.85 to £3.90) • Increase Tariffs 1, 2 and 3 by an average of 1%
4	No change <ul style="list-style-type: none"> • Freeze the initial fare at £3.85 • Freeze Tariffs 1, 2 and 3

4.13 A total of 20 responses were received through the survey, providing feedback on the options presented. 45% of responses were received from Hackney Carriage Drivers, 30% of responses were received from members of the public and 15% of responses were received from Private Hire drivers. A breakdown of the individuals who responded is provided below:



4.14 The consultation sought the views of stakeholders on the proposed changes to the taxi tariff structure. Respondents were invited to review and provide feedback on the four tariff options presented for consideration. 70% (14) of those responding were supportive of option 2, to increase both the start price and mileage, by increasing the initial fare by 5 pence, which will amend the current tariff from £3.85 to £3.90 for the first 528 yards and increase each additional 220 yards (or part thereof) by 5 pence. Thus, Amending the current yardage from 194 to 220 yards.

4.15 A breakdown of the views of stakeholders on each of the four tariff options presented for consultation is outlined below:



4.16 A breakdown of the respondent types corresponding to each of the four tariff options is outlined below:

Option 1 – Increase mileage only

- 1 Hackney Carriage Driver supported this option
- 0 Private Hire Drivers supported this option
- 0 Private Hire Operators supported this option
- 0 members of the public supported this option
- 0 respondents falling under the category 'other' supported this option

Option 2 – Increase start price and mileage

- 7 Hackney Carriage Driver supported this option
- 3 Private Hire Drivers supported this option
- 0 Private Hire Operators supported this option
- 2 members of the public supported this option
- 2 respondents falling under the category 'other' supported this option

Option 3 – Increase start price only

- 1 Hackney Carriage Driver supported this option
- 0 Private Hire Drivers supported this option
- 0 Private Hire Operators supported this option
- 0 members of the public supported this option
- 0 respondent falling under the category 'other' supported this option

Option 4 – No change to the current tariff

- 0 Hackney Carriage Driver supported this option
- 0 Private Hire Drivers supported this option
- 0 Private Hire Operators supported this option
- 4 members of the public supported this option
- 0 respondent falling under the category 'other' supported this option

- 4.17. Respondents were given the opportunity to provide comments explaining the reason for their chosen tariff option and a summary of these comments is outlined in the table below:

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)	9
Taxi drivers need to earn a living. Fares are too low, during slow periods we earn less than the minimum wage.	2
Requests to ensure that the fares fall at round figures at the end of the journey.	2
Prices are too high everywhere. It would be nice to know something would stay unchanged	1
Can't keep pushing costs onto the public	1
The public see living costs increase across all areas of life and if we can avoid some of them.	1

5 OPTIONS FOR ACTION

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 (15th December 2025)
- 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 (15th December 2025)
- 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** The financial implications for the local authority in reviewing taxi tariffs are minimal, with the primary costs stemming from administrative tasks such as report preparation, public consultation, and the implementation of a revised tariff. These expenses are generally offset by the licensing fees and charges.

6.2 Legal Implications

- 6.2.1 Under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, gives the Council authority to set and regulate taxi fares within their jurisdiction.
- 6.2.2 Before implementing or changing the fares, the council is required to publish a notice of the proposed changes. This ensures transparency and allows the public, including taxi operators and other stakeholders, to provide feedback, comments, or objections.
- 6.2.3 Any changes to the taxi tariff must be made transparently and fairly, ensuring that the process is open to scrutiny. The local authority should be able to demonstrate that the review was conducted in a manner that is non-discriminatory and justifiable, and that all relevant factors, including the financial sustainability of the taxi trade and public safety, were considered.
- 6.2.4 Affected parties, including taxi operators, drivers, or members of the public, have the right to challenge decisions made by the local authority through judicial review if they believe the process was flawed, not legally compliant, or discriminatory. For instance, if a tariff increase is deemed unreasonable or unjustified, it could lead to a legal challenge

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

An Equalities Impact Assessment was carried out in November 2025, to assess and monitor the implications of the proposed changes. This has identified potential equalities and diversity considerations.

- 6.4.1 Many Taxi drivers are self-employed and their ability to sustain livelihoods depends directly on the tariff level. Failure to raise tariffs may increase financial hardship affecting groups with protected characteristics who are represented in this workforce (e.g. ethnic minority men)
- 6.4.2 Whilst an increase in taxi tariff ensures that an accessible taxi provision remains viable, covering higher vehicle and maintenance costs, a fare increase could make taxis less affordable for elderly or disabled passengers who rely on taxis as a form of transport. A copy of the Equality Impact assessment is attached at **Appendix 10**

6.5 Community safety Implications

- 6.5.1 Not increasing the local authority taxi tariff may place additional financial pressure on licensed taxi drivers and operators, potentially impacting their ability to maintain the necessary licenses and meet operational costs. This could lead to a reduction in the number of licensed vehicles within the district, which, in turn, may decrease the availability of licensed taxi services.
- 6.5.2 Such a reduction in service availability may disproportionately affect vulnerable groups within the community, including the elderly, people with disabilities, and others who rely heavily on safe, reliable transport. These individuals could face challenges in accessing essential transportation, limiting their mobility and independence.
- 6.5.3 Additionally, financial strain on drivers may reduce their ability to invest in essential vehicle maintenance and safety improvements. This could lead to a deterioration in

vehicle standards, presenting a potential risk to public safety if vehicles fail to meet required safety standards.

- 6.5.4 In light of these considerations, it is crucial that any changes to taxi tariffs are carefully considered to support the financial sustainability of the licensing regime, while also ensuring that public safety and access to essential transport services are not compromised.

7 BACKGROUND DOCUMENTS

BD1 [Local Government \(Miscellaneous Provisions\) Act 1976](#)

BD2 [Town Police Clauses Act 1847](#)

8 APPENDICES

1. Current Tariff Table
2. Preliminary Trade Engagement Survey Summary
3. Proposed Tariff Options – A Detailed breakdown
4. Consultation email to the trade and Stakeholders
5. Newspaper Notice
6. Public Notice
7. Social Media consultation post
8. Consolidated list of consultees
9. Summary of results from Formal Public consultation
10. EqlA- 2025 Taxi Tariff Review