

REDDITCH BOROUGH COUNCIL

**LICENSING
COMMITTEE**

21st March 2022

HACKNEY CARRIAGE TABLE OF FARES – REQUEST FOR VARIATION

Relevant Portfolio Holder	Councillor N Nazir
Portfolio Holder Consulted	No
Relevant Head of Service	Simon Wilkes – Head of Worcestershire Regulatory Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Non-Key Decision	

1. SUMMARY OF PROPOSALS

The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district. It is good practise to review the table of fares on a regular basis.

2. RECOMMENDATIONS

Members are asked to RESOLVE:-

- a) **The proposed table of taxi fares as set out in Appendix 3 be advertised as a public notice and objections from the public invited in accordance with the requirements of section 65, Local Government (Miscellaneous Provisions) Act, 1976.**
- b) **If no objections are received from the public within 14 days of publication of the notice that the proposed tariff will come into effect on 23rd May 2022.**
- c) **If objections are received in the stated time, that the matter will be considered further at the next meeting of the Licensing Committee, and a decision made as to whether the variations to the table of fares should be made.**

3. KEY ISSUES

Financial Implications

- 3.1 The costs of advertising any proposed variations to the table of fares for hackney carriages would be met from existing budgets held by Worcestershire Regulatory Services.

Legal Implications

- 3.2 Section 65 (1) of the Local Government (Miscellaneous Provisions) Act 1976 states that a district council may 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.
- 3.3 Section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 goes on to state:
- a) When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.
 - b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.
- 3.4 If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in section 65 (2), or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
- 3.5 If objections are made and are not withdrawn, the district council must 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.

Service / Operational Implications

- 3.6 The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district.
- 3.7 Hackney Carriage (“Taxi”) fares are made up of an initial hiring charge and a “mileage” rate, both of which are expressed in terms of distance and / or time per unit cost. This is because when a hired taxi is stationary or moving slowly in traffic the meter continues charging, but by time, instead of distance.
- 3.8 The table of fares applies only to hackney carriage vehicles. Private hire operators are free to agree their hiring charges in advance with their customers, normally at the time of booking the journey.
- 3.9 The current table of fares can be seen at **Appendix 1**. The current table of fares was approved by the Licensing Committee at its meeting in November 2018 took effect on 16th November 2018.
- 3.10 Prior to table of fares approved in November 2018, the Council’s table of fares for hackney carriages had not been amended since 2011, which represented a significant period without any increase to take account of inflation and other relevant cost rises for hackney carriage drivers and proprietors.
- 3.11 When considering making changes to the table of fares in November 2018, Members expressed the view that the table of fares should be regularly reviewed to avoid a situation where a large increase is requested following several years without a review having taken place.
- 3.12 The table of fares has been reviewed three times since November 2018 in November 2019, November 2020 and November 2021. On all those occasions officers approached representatives of Redditch Taxi Association to ask if their members wished to request any variations to the table of fares. On each occasion the Redditch Taxi Association representatives indicated that their members did not want to request any amendments.
- 3.13 In January 2022, the Principal Licensing Officer was contacted by the Chairman of Redditch Taxi Association to say that the position held by the members had changed since November 2021 and that they would now like to request that the table of fares be varied.

REDDITCH BOROUGH COUNCIL

**LICENSING
COMMITTEE**

21st March 2022

- 3.14 The request from Redditch Taxi Association members is that the flag charge on all three tariffs is increased by 50p. It is also requested that the charge for each subsequent 176 yards (160.9m approximately) is increased from 14p to 15p on tariff's one and two and from 28p to 30p on tariff three.
- 3.15 Making these amendments would increase the cost of a 2-mile journey in a hackney carriage licensed by the Council on tariff one from £5.30 to £5.95 an increase of 65p or 12.3%
- 3.16 When drawing comparisons between hackney carriage fares in different areas, the normal method used is to compare the cost of a 2-mile journey. A table showing a comparison of the hackney carriage fares charged in other local districts for a 2-mile journey can be seen at **Appendix 2.**
- 3.17 According to the AA Fuel Price Report, the average prices of fuel in the West Midlands in November 2018 when the existing tariff took effect were:

Unleaded 95 Octane (pence per litre)	Diesel (pence per litre)	Super Unleaded (pence per litre)	LPG (pence per litre)
127.0	135.2	137.5	66.9

- 3.18 According to the latest AA Fuel Price report (January 2022) the average prices of fuel in the West Midlands are now:

Unleaded 95 Octane (pence per litre)	Diesel (pence per litre)	Super Unleaded (pence per litre)	LPG (pence per litre)
145.2	148.9	157.9	85.9
+ 14.3%	+10.1%	+ 14.8%	+ 28.4%

- 3.19 The cost of fuel is of course only one factor that Members should consider when determining whether it is appropriate to vary the table of fares. Also of relevance will be other general increases in the cost of living for hackney carriage proprietors.
- 3.20 According to the data compiled by the Office for National Statistics (ONS), the Consumer Prices Index (CPI) rose by 5.5% in the 12 months to January 2022, up from 5.4% in December 2021. Inflation is widely expected to climb above 7% later this year, partly driven by the unprecedented increase in energy prices.
- 3.21 According to the Bank of England's "Inflation Calculator" goods and services that cost £100 in 2018 would have cost £108.32 in 2021, an increase of around 8.3%.
- 3.22 The fuel price and inflation figures quoted above are based on the most recent data available to officers at the time that this report was prepared. Officers anticipate being able to provide further updated information to the Committee at their meeting.
- 3.23 Legislation requires that any changes to the table of fares are published as a public notice and objections invited. If no objections are received the fares come into force on the named date. If there are objections, then the Council must consider them and re-set the fares with or without variations. No further statutory consultation is required at that time.
- 3.24 Members are asked to consider the request received and to direct officers to undertake the legal processes required to advertise the varied tariff shown at **Appendix 3** with a view to this taking effect on 23rd May 2022.
- 3.25 However, if objections are received when the proposed variations are advertised, then the variations cannot take effect until after those objections have been considered at a future meeting of the Licensing Committee.

4. RISK MANAGEMENT

- 4.1 None

5. APPENDICES

- Appendix 1 – Current Table of Fares
- Appendix 2 – Comparison of Fares for a Two-mile Journey
- Appendix 3 – Proposed Table of Fares

AUTHOR OF REPORT

Name: Dave Etheridge – Principal Officer (Licensing)
Worcestershire Regulatory Services

E Mail: dave.etheridge@worcestershire.gov.uk

Tel: (01905) 822799