

REVIEW OF HACKNEY CARRIAGE TABLE OF FARES

Relevant Portfolio Holder	Councillor L Harrison
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

- 1.1 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

- 2.1 **That the Licensing Committee note the contents of the report and that no further action is required at the present time.**

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**. This table of fares was approved by the Licensing Committee at its meeting on 28th April 2022 and took effect on 7th May 2022.
- 3.10 A review of the table of fares was undertaken at the Licensing Committee on 20th March 2023 when Members decided not to make any amendments to the table of fares based on the circumstances at the time.
- 3.11 Upon approval of a revised table of fares in November 2018, Members of the Licensing Committee 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 As it is now approaching a year since the table of fares was last reviewed, officers have prepared this report in order to provide Members with an opportunity to review it again.
- 3.13 Prior to commencing the preparation of this report, the Chairman of Redditch Taxi Association was approached by officers to see if the Association would like to request any amendments to the current table of fares.
- 3.14 The Chairman of Redditch Taxi Association has advised that members of the Association do not wish to request any further increase in the table of fares at the present time. Association members hold concerns that the rise in the cost of living in recent years continues to have an impact on the number of people in Redditch using hackney carriages and they do not want this situation to be exacerbated by the charging of higher fares.
- 3.15 A table is provided at **Appendix 2** that shows the average price per litre of ultra-low sulphur petrol and ultra-low sulphur diesel (according to data from the Department for Energy Security & Net Zero) at the following points in time:
- When the existing table of fares took effect (7th May 2022)
 - When the table of fares was last reviewed (20th March 2023)
 - When this report was prepared (19th February 2024)

- 3.16 This data shows that petrol and diesel prices have continued to fall over the past year and are now 12.1% (petrol) and 14.1% (diesel) lower than when the existing table of fares took effect in May 2022.
- 3.17 Whilst the price of petrol and diesel may have fallen compared to the levels they were in May 2022, other prices have continued to rise.
- 3.18 According to the latest data available from the Office of National Statistics when this report was produced, the Consumer Prices Index (CPI) rate of inflation in the 12 months to January 2024 was 4.0%, the same rate as in December 2023.
- 3.19 The CPI rate of inflation is however considerably lower now than it was a year ago when the table of fares was last reviewed in March 2023 when the CPI rate inflation was running at 10.1%
- 3.20 Inflation is still double the Bank of England's target rate of 2%. The following was published on the Bank of England website on 2nd February 2024:
- "We can't predict exactly what will happen to inflation in the future. It could fall to 2% for a short while in the spring before rising a bit after that.*
- We can't say any of this for certain because we can't rule out another global shock that keeps inflation high."*
- 3.21 Taking into account the latest fuel price data, the current rate of inflation and the views expressed by the Redditch Taxi Association, officers recommend that no changes are made to the table of fares at this time.
- 3.22 Members are therefore asked note that this matter has been reviewed and that no further action is required at the present time. A further review will be scheduled to take place in March 2025 at the latest.

4. RISK MANAGEMENT

- 4.1 None

5. APPENDICES

Appendix 1 – Current Table of Fares

Appendix 2 – Road Fuel Prices Data Comparisons

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