# LICENSING COMMITTEE

# HACKNEY CARRIAGE TABLE OF FARES – REQUEST FOR VARIATION

Cllr Monica Stringfellow
No
Simon Wilkes – Director of
Worcestershire Regulatory Services
All Wards
N/A

## 1. <u>SUMMARY OF PROPOSALS</u>

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. <u>RECOMMENDATIONS</u>

### Members are asked to:

- a) Note the submission of a formal request from The Redditch Taxi Association, to review the Council's hackney carriage fare tariff as set out within this report.
- b) Determine whether or not to implement the proposed increase and, if a decision is made to approve, instruct officers to progress the statutory process for consultation.
- c) Delegate authority to the Licensing Manager in consultation with Chair & Vice Chair to consider any objections from the consultation process on the preferred option and implement the proposed or a revised fare tariff.

### 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.

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#### 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.

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- 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 and took effect on 7 May 2022.
- 3.10 Revisions to the Table of Fares, have been considered annually in 2023 and 2024 where both times there has not been a request for a fare increase from the Taxi Association.
- 3.11 In March 2025, the Chairman of Redditch Taxi Association was approached to ask whether the Association would be seeking to vary the Table of Fares for the next 12-month period.
- 3.12 The request from Redditch Taxi Association members is that the "hiring charge" on all three tariffs is increased by 10%. There is no proposal to change the existing tariff for any distance travelled otherwise known as the "mileage" charge rate, which is expressed in terms of distance and/or time per unit cost.
- 3.13 Making these amendments would increase the cost of a 2-mile journey\* in a hackney carriage licensed by the Council on tariff one from £6.25 to £6.65 an increase of 40p or a 6.4% increase.

#### 4.0 **Tariff Compassions**

\*The Private Hire Monthly trade publication publishes a table each month to show a comparison of hackney carriage fares across the country for a 2-mile journey. A 2-mile journey is used as a yard stick, as this is reportedly the average length of a typical journey in a hackney carriage. 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**.

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## 5.0 **Considerations**

5.1 According to the latest AA Petrol and Diesel Prices, Fuel Prices report, the average prices of fuel in the UK in January 2022 when the existing tariff took effect were:

Unleaded 95 Octane (pence per litre	Diesel (pence per litre)	Super Unleaded (pence per litre)	
145.2	148.9	157.9	85.9

5.2 According to the latest RAC Fuel Price report March 2025 the latest UK average prices of fuel are now:

Unleaded 95 Octane (pence per litre)	Diesel (pence per litre)	Super Unleaded (pence per litre)	LPG (pence per litre)
135.54	142.21	151.24	Figure unavailable

(data taken from the RAC as the online AA Petrol and Diesel Prices records were last updated in March 2024)

Latest UK petrol and diesel prices | Data and analysis | RAC Drive

- 5.3 The cost of fuel is 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.
- 5.4 According to the data compiled by the Office for National Statistics (ONS), the Consumer Prices Index (CPI) rose by 3.0% in the 12 months to January 2025.
- 5.5 According to the Bank of England's "Inflation Calculator" goods and services that cost £100 in 2022 cost £111.26 in January 2025, an increase of 11.26%.
- 5.6 Legislation requires that any changes to the table of fares are published as a public notice and objections invited. If no objections are

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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.

- 5.7 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**.
- 5.8 Should no objections be received in response to the newspaper notice, the approved changes can take effect from 1 June 2025.
- 5.9 Alternatively, if objections are received, then this report seeks approval for the matter to be finalised under delegated powers to the Licensing Manager in consultation with the Chair and Vice Chair of this Committee. Any objections will be considered, and the Table of Fares will come into force on 1 June 2025.

### 6. <u>RISK MANAGEMENT</u>

6.1 If the Council's hackney carriage fare tariff is set too low this may adversely affect the supply and availability of taxis in the area. Whilst setting the fare too high may have a negative impact on the vulnerable users of this essential service, who may simply seek alternative transport options, such as using Redditch private hire transport providers or those from neighbouring local authorities.

### 5. <u>APPENDICES</u>

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

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