

**REPORT OF LEAD LICENSING OFFICER**

**To: LICENSING COMMITTEE**

**Subject: REVIEW OF TAXI FARES**

**Date: 11 MAY 2022**

**Reference:**

**PURPOSE OF REPORT:**

To inform Committee of the results of a recent fare consultation with hackney carriage proprietors and to consider whether to increase the existing fare tariff.

**1. INTRODUCTION**

Local authorities have the power to set fares for hackney carriages under section 65 of the Local Government (Miscellaneous Provisions) Act 1976. Hackney carriage fares were last increased on 1 October 2020. There has been a significant rise in fuel and living costs over the last few months and the Council has received a request from the taxi trade to consider a taxi fare increase.

**2. REPORT**

A consultation on fares was carried out with taxi proprietors in April 2022. This report sets out the results of the consultation and provides background information which will help Members to make an informed decision on any increase in fares.

The consultation was sent to all 26 licensed hackney carriage proprietors. 14 proprietors responded - a return rate of 54% - and the results are detailed below.

In favour of an increase: 9 (64%)      Against an increase: 5 (36%)

The consultation also requested, if a fare increase was approved, what would be the suggested level of increase.

The Lead Licensing Officer met with the taxi liaison committee to discuss the responses to the consultation and level of increase. A decision was made to put forward the following rates for consideration by the Licensing Committee.

**Table 1 – Proposed Fare Increase options**

<b>Option</b>	<b>Increase</b>	<b>2 mile rate</b>
A	Flag fare (first ¼ mile) increase to £4.00 £3.00 per mile thereafter	£7.75
B	Flag fare (first ¼ mile) increase to £4.00 £2.80 per mile thereafter	£7.50
C	Flag fare (first ¼ mile) increase to £4.00 £2.80 per mile thereafter	£7.25



## National Context

In terms of the national context, as at 3<sup>rd</sup> May 2022, Torridge was ranked 44 out of the 349 local authorities which regulate hackney carriage fares (*Source Private Hire and Taxi Monthly*). The national average two mile hackney fare on tariff one is £6.24.

A comparison with the other Devon authorities is shown below:

**Table 2 – Devon authorities**

Estimated Position (All England Councils)	Council	2 Mile Fare Cost	Date of last fare increase	Proposed increase 2022 and revised position
57	Torridge	£6.95	2020	£7.75 (16) £7.50 (22) £7.25 (31)
63	East Devon	£6.80	2020	£7.15 (41)
78	Torbay	£6.75	2019	£7.43 (23)
86	South Hams	£6.66	2022	
87=	Exeter	£6.60	2013	
87=	Teignbridge	£6.60	2020	
87=	Plymouth	£6.60	2022	
107	North Devon	£6.55	2016	£7.30 (29)
251	Mid Devon	£5.70	2010	

## 3. IMPLICATIONS

### Legal Implications

The Council is legally obliged to advertise any variation of fares. If this is not done, the proposed fares would be invalid.

### Financial Implications

None

### Human Resources Implications

None

### Sustainability/Biodiversity Implications

None

### Equality/Diversity

None

### Risk Management

There are legal, reputational and possible financial risks if the Council does not follow the correct procedures.

### Compliance with Policies and Strategies

Complies with the current Taxi Policy.



Data Protection (GDPR) Implications

None

Climate Change

None

Ward Member and Lead Member Views

None

#### **4. CONCLUSIONS**

It is important to find a balance between the income generated by Taxi Drivers, to cover their day-to-day costs and the costs associated with the licensing process, as well as setting fares which meets the needs of the residents and visitors to the area.

Members should note that the fares prescribed by the Council are maximum fares. Drivers may charge a lower fare or offer a discount if they wish.

#### **5. RECOMMENDATIONS**

It is recommended:

1. Members consider the information contained in this report and make a decision as to whether or not to increase the existing fares.

And, if a fare increase is approved:

2. That the level of increase be determined; and
3. the proposed fares be advertised for a period of not less than 14 days as required by s. 65(2) of the Local Government (Miscellaneous Provisions) Act 1976; and, provided there are no objections, the proposed fares be introduced on 1<sup>st</sup> June 2022.

#### **SUPPORTING INFORMATION**

Consultations: Taxi Trade

Contact Officer: Chris Parkhouse  
Background Papers: Licensing files

