

Arun District Council

REPORT TO:	Licensing Committee - 3 March 2023
SUBJECT:	Taxi Fare Setting
LEAD OFFICER:	Nat Slade, Group Head of Technical Services
LEAD MEMBER:	Councillor Grant Roberts
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
Fulfilling Arun's economic potential by ensuring taxi fares are set an appropriate level to maintain this important transport option across the district, with fares that are still accessible to the public and viable as a business.	
DIRECTORATE POLICY CONTEXT:	
The Hackney Carriage and Private Hire Licensing Policy and Handbook sets out Arun's arrangements for setting and reviewing of taxi fares. The local authority sets the maximum fare which can be negotiated downwards by the hirer. Reviews should be carried out to enable new fares to come into effect in April.	
FINANCIAL SUMMARY: There is no direct financial impact to the Council. This relates to what drivers may charge customers.	

1. PURPOSE OF REPORT

- 1.1. The authority should consider and set a table of fares to ensure that a suitable maximum amount is set for charges to be made to the travelling public.
- 1.2. To recommend to Licensing Committee to agree the table of fares with the increases for 2023/24, as advertised. The table of fares shall come into effect 1st April 2023.

2. RECOMMENDATIONS

- 1.2. That the Licensing Committee agrees the table of fares set out in Appendix 2, with effect from 1st April 2023.

2. EXECUTIVE SUMMARY

- 2.1. The fares charged to customers using Hackney Carriages (Taxis) are reviewed and set each year. This report provides information to be considered for the setting of fares for the period of 1st April 2023 to 31st March 2024. It is recommended that the Licensing Committee set taxi fares to be effective from 1st April 2023.

3. DETAIL

- 4.1 Each year Hackney Carriage license holders are consulted regarding the fares charged to customers. The proposed table of fares is advertised in a local newspaper, inviting comments for a period of fourteen days.
- 4.2 Officers have considered the taxi trade representations, fuel prices and prepared a proposed table of fares.
- 4.3 After the consultation period has ended the proposal and any comments that have been received are brought to the committee for final agreement. If objections to the proposed fares are received and are not withdrawn, the committee shall set a further date, not later than two months after the first specified date (in this case 1st April 2023) on which the table of fares shall come in to force with or without modifications after consideration of the objections.
- 4.4 If no objections are received and the committee does not make any modifications, the table of fares comes into effect on 1st April 2023.
- 4.5 This year officers consulted with members of the taxi trade asking for their comments regarding the taxi fares. A total of 250 drivers were consulted and 70 responses were received. A copy of the responses is included at Appendix 1.
- 4.6 There was no increase in fares between 2018 and 2021. Due to the length of time the fares had not increased there was a 20p increase in the fare from 1st April 2021 to 31st March 2022. The last increase in the fares was in March 2022 when fuel reached the emergency trigger price of £1.50 per litre. It was advertised and agreed that 10p would be added to the first mile and 10p added to each subsequent mile. This increase equated to £4.60 for the first mile and £2.60 for each subsequent mile. Not all drivers recalibrated the taxi meter to the increased fares therefore some drivers continue to operate on previous lower tariffs. Whilst drivers are expected to update meters within one week of fare changes coming into effect or are liable under the council's policy to licence suspension, such action has not been taken where this favours the customer, with the meter rates remaining at lower fare levels.
- 4.7 Officers have monitored fuel prices throughout the year using a fuel comparison website and there was a steady increase from April 2022, with fuel reaching £2.00 per litre, but with a slight decrease to approximately £1.72 per litre, at the time of writing. Having taken into consideration the large increase in fuel prices and the current cost of living crisis, officers have proposed an increase of the fares for the period 2023/24. The proposed fare structure is an increase of 50p on the flag drop (from £3.00 to £3.50); increase on the first mile of 40p (from £4.60 to £5.00) and an increase of 40p on the second and subsequent miles (from £2.60 to £3.00) see Appendix 2.
- 4.8 The proposed table of fares was advertised in a local newspaper, circulating in the district, for a period of not less than 14 days. No other comments or objections were received during the consultation period.
- 4.9 If Committee is minded to agree any modifications to the proposed fare structure,

they may decide a new date, not later than two months after the originally proposed date, this being 1st April 2023, when the modified fares will take effect.

4.10 If no objections or modifications to the fares are agreed the proposed fares will take effect from 1st April 2023.

4.11 The proposed table of fares includes a provision for increasing fares if fuel prices rise significantly within the year. If diesel prices reach the trigger level of £2.30/ltr for a period of one month during the period 1st April 2023 to 31st March 2024, then the fare would increase by 20p on the first and subsequent miles until end of March 2024. To avoid any delay, it was appropriate to advertise that part of the proposed fees at the same time as the normal fees.

4.12 **Local Government (Miscellaneous Provisions) Act 1976 section 65**

(1) 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.

(2)(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 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) If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in subsection (2) of this section, or if all objections so made are withdrawn, the table of fare or variations 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 is the latter.

(4) If objection is duly made as aforesaid and is not withdrawn, the district council shall 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.

(5) A table of fares made or varied under this section shall have effect for the purpose of the Act of 1847 as if it were included in hackney carriage byelaws made thereunder.

(6) On the coming into operation of a table of fares made by a council under this section for the district, any hackney carriage byelaws fixing the rates and fares, or any table of fares previously made under this section for the district, as the case may be, shall cease to have effect.

(7) Section 236(8) (except the words “when confirmed”) and section 238 of the Local Government Act 1972 (except paragraphs (c) and (d) of that section) shall extend and apply to a table of fares made or varied under this section as they apply to byelaws made by a district council.

4. CONSULTATION

- 4.1. The taxi trade has been consulted. Their responses can be found in Appendix 1. Members of the public were consulted through advertising in a local newspaper. This exercise is undertaken on an annual basis. The proposed fare structure was advertised in a local newspaper circulating in the district for a period of not less than 14 days. No comments or objections were received during the consultation period.

5. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1 An alternative to the recommendation is for Committee to agree to alter the table of fares, giving full details of any modification and set a date when the modified table of fares comes into effect. This shall not be later than 2 months after 1st April 2023.

6. COMMENTS BY THE INTERIM GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 6.1. No financial impact for the purpose of this report.

7. RISK ASSESSMENT CONSIDERATIONS

- 7.1. If agreement is not reached on the new fares, the existing fares would remain. Should this be the case it may impact the viability of taxi operations due higher fuel prices, and ultimately the taxi provision across the district.

8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 8.1. The Local Government (Miscellaneous Provisions) Act 1976 (section 65) allows the Council to set the maximum costs and fares that drivers may charge the public for journeys taken in a hackney carriage (taxi). The regulation of hackney carriage fares is therefore a discretionary power “A district council may fix the rates or fares within the district” All District Councils do regulate taxi fares. The amount charged is also regulated by the Arun Council Hackney Carriage Byelaws.

- 8.2. Detailed provisions of the Act are set out above at 4.12.

9. HUMAN RESOURCES IMPACT

- 9.1. No direct human resource impacts identified.

10. HEALTH & SAFETY IMPACT

10.1. No direct health and safety impacts identified.

11. PROPERTY & ESTATES IMPACT

11.1. None for the purposes of this report

12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

12.1. Taxis are a useful means of transport to service those communities where the transport services are infrequent or difficult to get to. Fares are set to ensure there is a balance between the drivers earning a reasonable income and what would be a reasonable cost to the public to use the service. The fare is the maximum that may be charged for the journey, but this may be discounted by the driver. The charge is for the carriage of the person and so there is no difference in the price for using a normal vehicle or one used for transporting wheelchair users or those passengers who have assistance dogs.

13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1 Taxi fares are based on the cost of diesel fuel. There are no additional impacts from the proposals.

14. CRIME AND DISORDER REDUCTION IMPACT

15.1 None for the purposes of this report.

15. HUMAN RIGHTS IMPACT

16.1 None for the purposes of this report.

16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1 None for the purposes of this report.

CONTACT OFFICER:

Name: Glenn James
Job Title: Licensing Officer
Contact Number: 01903 737 681

BACKGROUND DOCUMENTS:

Appendix 1: Consultation responses
Appendix 2: Proposed Table of Fares
Appendix 3: Equality Impact Assessment

[Hackney Carriage and Private Hire Licensing Policy and Handbook](#)
[Licensing Committee 10 December 2021 - Taxi Fares 2022](#)
[Minutes of Full Council Meeting 26 January 2022 - Item 624 - Taxi Fares](#)