



Committee and Date

Strategic Licensing Committee

5 October 2022

Item

Public

## REVISION OF THE HACKNEY CARRIAGE TABLE OF FARES

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### 1. Synopsis

- 1.1 This report sets out the proposal for a revised Hackney Carriage Table of Fares.

### 2. Executive Summary

- 2.1. In accordance with the Local Government (Miscellaneous) Provisions Act 1976 (the Act) the Council may fix rates or fares for the hire of a Hackney Carriage Vehicle which operates within the administrative area of the Council.
- 2.2. The current table of Fares came into effect on 1 April 2021.
- 2.3. The Licensing Service received a request from a Hackney Carriage proprietor for the review of the current Hackney Carriage Table of Fares, in accordance with Section 65 of the Act the Council is required to undertake a specified process when reviewing the Hackney Carriage Table of Fares.
- 2.4. A formal consultation process is required as part of the specified process under the Act, this was undertaken between the 4 July and the 31 July 2022.
- 2.5. This report sets out the requirements of the Act and the process which has been followed to revise the Table of Fares.

### 3. Recommendations

- 3.1. That the Strategic Licensing Committee approves, with any necessary modifications, the proposed Table of Fares for the whole administrative area of Shropshire Council, as set out in **Appendix A**, and agrees that it will come into effect from 13 October 2022.

## REPORT

#### 4. Risk Assessment and Opportunities Appraisal

- 4.1. The revised Hackney Carriage Table of Fares at **Appendix A** is considered fair and reasonable when balanced with the rise in fuel prices and the cost of living. Hackney Carriage Proprietors will be able to increase their income to offset some of the increased costs whilst at the same time does not price themselves out of the market.
- 4.2. The Council needs to support, as much as is reasonably practicable, the hackney carriage trade and given the rising cost of living, in particular, the cost of fuel (petrol, diesel and electricity), it is not unreasonable for the Council to allow the fares to be increased. A failure to do this reduces the ability of hackney carriage proprietors to effectively run their business in a competitive marketplace, which may then result in a reduction in the overall number of hackney carriages. As all hackney carriages are required to be wheelchair accessible, this risk will impact on disabled individuals who use wheelchairs and rely on hackney carriages as a means of transport.
- 4.3. Consideration has been made for the impact any increase in Hackney Carriage Fares may have on the travelling public for the same reasons it has on the Hackney Carriage Proprietors themselves. To offset changes in the marketplace and for Hackney Carriage Proprietors to retain their existing customer base they have the ability to charge up to the maximum amount on the Hackney Carriage Table of Fares. This allows them to negotiate a reasonable price with their regular customers and retain their custom, whilst still enabling them to gain a margin of profit.
- 4.4. The formal consultation led to 7 separate responses from 6 different hackney carriage proprietors. Overall, the majority supported the proposal to increase the fares across all four Tariffs equivalent to £0.30/mile for each additional mile travelled. However, one proprietor disagreed and sought a much wider change to the Table of Fares, which proposed increases across the Flag and First Mile as well as to the additional miles travelled and also amendments to the times of day applicable to Tariff 4 (optional tariff for minibuses/larger vehicles) and the creation of two new optional tariffs for minibuses/larger vehicles covering Sundays and Bank Holidays. These proposals were subsequently supported by a further submission from the same proprietor including a petition signed by 23 other hackney carriage proprietors, 22 of whom had not submitted individual responses to the consultation.
- 4.5. The feedback from the formal consultation has been considered by officers and it is clear that there is continued support for an increase to the hackney carriage fares. However, the suggestion that additional charges ought to be introduced for the carriage of luggage, bicycles, prams and pets was deemed unacceptable because this approach does not support a transparent charging regime for passengers. Nevertheless, as a result of the additional support for the wider increases across the Tariffs and the changes for minibuses/larger vehicles, as demonstrated by the number of proprietors that had signed the petition, the Table of Fares has been subject to further increases.

- 4.6. The percentage increases for each Tariff when compared with the current Table of Fares equates to:

|                            | Tariff 1 | Tariff 2 | Tariff 3 | Tariff 4 | Tariff 5 | Tariff 6 |
|----------------------------|----------|----------|----------|----------|----------|----------|
| <b>Flag and First Mile</b> | 12%      | 8%       | 6%       | 0%       | New      | New      |
| <b>Additional miles</b>    | 20%      | 12%      | 10%      | 10%      | New      | New      |
| <b>Waiting time</b>        | 0%       | 0%       | 0%       | 0%       | New      | New      |

**NB** There is no increase to the soiling charge.

- 4.7. An Equality, Social Inclusion and Health Impact Assessment (ESHIA) has been undertaken. The full ESHIA document is set out at **Appendix B**.
- 4.8. The initial assessment of the changes proposed to the hackney carriage Table of Fares indicates that for the protected groups ‘age’ and ‘disability’ the impact is anticipated to be low positive. This will also be the case in relation to the tenth category, social inclusion, that we think about in Shropshire, in addition to the nine protected characteristics set out in the Equality Act 2010. The social inclusion category includes people in rural areas and people or households that we may describe as vulnerable. This low positive impact is likely to extend to the health, mental health and wellbeing of individuals and with respect to the community insofar as it relates to transport. In all other respects, the impact is likely to be neutral – neither positive nor negative – with no anticipated need to take actions to mitigate or enhance the impact.
- 4.9. It is acknowledged that the feedback from both the informal and formal consultations has come solely from hackney carriage proprietors; however, the number who have responded to the formal consultation, if those who signed the petition are included, equates to 36 and this is 42% of those who currently hold a hackney carriage licence with the Council. This is a positive response in terms of the trade; nevertheless, it is clear that we do not have any other stakeholder views on the proposals, particularly notable is the absence of a customer/passenger perspective.
- 4.10. The Licensing Team will continue to monitor the service change to mitigate negative impacts or enhance positive impacts of the proposed service change for groupings in the community.
- 4.11. There will be ongoing dialogue with the hackney carriage trade through direct contact and ‘Taxi Forums’ or similar meetings and with local disability groups in order to provide the trade and disabled passengers with the opportunity to provide feedback directly to the Licensing Team.
- 4.12. A dedicated telephone number and email address is and will continue to be generally publicised on the Council’s website for other stakeholders, including members of the public (both those with and without disabilities), to provide feedback on the impact of the fare increases. In addition, these contacts, together with social media contacts, will be publicised in hackney carriages to encourage passengers to provide feedback to the Council.

- 4.13. The Table of Fares can be reviewed at any time by the Council and the hackney carriage trade can request such a review at any time in line with the Council's Hackney Carriage and Private Hire Licensing Policy.
- 4.14. The feedback from the formal consultation (from two responses) also indicated that hackney carriage proprietors may welcome the Council being proactive and undertaking an annual review of the Table of Fares in order for the fares to keep pace with inflation without the trade being expected to apply for a review each year.
- 4.15. The Licensing Team will explore further with the trade whether the potential benefits of adopting a proactive approach to an annual review of the Table of Fares outweighs any identified disadvantages.

## 5. Financial Implications

- 5.1. There is no immediate financial impact to the Council however, the Council needs to ensure, as practically as possible, that it is supporting the Hackney Carriage provision. Failure to do this could result in a reduction of Hackney Carriages and in turn a reduction in licence fee income. Furthermore, failure to support an increase in Hackney Carriage Fares reduces the ability for Hackney Carriage Proprietors to effectively run their business in a competitive marketplace.
- 5.2. Any financial implications will be offset against future fee calculations.

## 6. Climate Change Appraisal

- 6.1. There are no anticipated climate change or environmental impacts associated with the recommendations in this report.

## 7. Background

- 7.1. The current Hackney Carriage Tables of Fares came into effect on the 1 April 2021 and can be found at **Appendix C**.
- 7.2. On the 29 April 2022 the Licensing Service received a request for review of the Hackney Carriage Table of Fares, this request was received from a Hackney Carriage proprietor.
- 7.3. Officers revised the current Table of Fares to take into account the proposed changes and sent notification of an informal consultation to the trade inviting submissions on the revised Tables of Fares. This was sent out by email to the trade on 10 May 2022 and closed on 18 May 2022. A copy of the Table of Fares included in the informal consultation can be found at **Appendix D**.
- 7.4. Submissions were received to the informal consultation and officers considered the comments made along with the additional proposals. The

fares set on the revised Table of Fares was then updated considering the informal responses received.

- 7.5. On the 22 June 2022 the revised Table of Fares was considered at a meeting of the Strategic Licensing Committee and the Committee resolved to undertake a period of formal consultation.
- 7.6. Following the formal consultation, and prior to new fares coming into force, there is a requirement for the table of fares to be advertised in the local paper with a minimum 14 day consultation period. A copy of the notice can be found at **Appendix E**. If no representations are received, the fares would be introduced on the date stated, which in this case was 1 September 2022. If representations are made, the council must set a date, no later than two months after the proposed implementation date, for the fares to come into effect, with or without changes. Representations were received during the formal consultation and the proposed implementation date has been set as 13 October 2022.
- 7.7. A formal consultation process was undertaken between the 4 July and the 31 July 2022. An official noticed of the consultation was placed in all editions of the Shropshire Star on 4 July 2022, the Council's Get Involved pages were used to run the consultation along with an email notifying the trade of the consultation and how to get involved.
- 7.8. Submissions were received to the formal consultation and officers considered the comments made along with the additional proposals. The fares set on the revised Table of Fares was then updated considering the formal responses received. An officer summary of the submissions can be found at **Appendix F** and the individual responses can be found at **Appendix G** documents 1 to 7.
- 7.9. The fares set on the current Table of Fares has been revised considering the officers summary of the comments made. The updated version of the Table of Fares can be found at **Appendix A**.
- 7.10. It is important to note that the Table of Fares states the maximum fare that can be charged. The proprietor can agree a lower fare with the passenger. A meter can also be set at a level lower than the Council's agreed fares on condition that the proprietor displays two Tables of Fares, these being the Council's agreed Table of Fares and one to show the lower fare to which the meter has been set.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

Local Government (Miscellaneous) Provisions Act 1976

[Local Government \(Miscellaneous Provisions\) Act 1976 \(legislation.gov.uk\)](https://legislation.gov.uk)

Strategic Licensing Committee – Hackney Carriage Fare Card Report dated 7 October 2020

[201007 Hackney Carriage Fare Card Report.pdf \(shropshire.gov.uk\)](#)

Strategic Licensing Committee – Hackney Carriage Table of Fares Report 5 dated 22 June 2022

[Agenda for Strategic Licensing Committee on Wednesday, 22nd June, 2022, 10.00 am — Shropshire Council](#)

**Cabinet Member (Portfolio Holder)**

Councillor Ed Potter, Deputy Leader, Economic Growth, Regeneration and Planning

**Local Member**

Not applicable – report has county wide application

**Appendices**

Appendix A – Proposed Hackney Carriage Table of Fares

Appendix B – Equality, Social Inclusion and Health Impact Assessment (ESHIA)

Appendix C – Current Hackney Carriage Table of Fares 01042021

Appendix D – Informal Consultation Hackney Carriage Table of Fares

Appendix E – Formal Consultation Hackney Carriage Table of Fares

Appendix F – Officer Summary of Formal Consultation Responses

Appendix G - Formal Consultation Hackney Carriage Table of Fares Responses