

**Committee and Date**Strategic Licensing
Committee

9 October 2024

Item

Public



Revision of the Hackney Carriage Table of Fares

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Cabinet Member (Portfolio Holder):Councillor Chris Schofield, Portfolio Holder for Planning and
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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. The Shropshire Plan recognises the importance of supporting businesses to provide safer services. The fundamental purpose of the Licensing service is to support businesses to deliver their services in a way which allows them to thrive whilst protecting the safety and welfare of the public who live, work and visit Shropshire; together this will help to achieve a Healthy Economy.
- 2.2. 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.
- 2.3. The current Table of Fares came into effect on 13 October 2022.
- 2.4. 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.

- 2.5. A formal consultation process is required as part of the specified process under the Act, this was undertaken between the 1 July 2024 to 4 August 2024.
- 2.6. 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 17 October 2024.

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 do 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 individuals with disabilities 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 5 separate responses from 5 different hackney carriage proprietors. Overall, the majority supported the proposal to increase fares. However, only one proprietor agreed with the original proposal to increase all tariffs by £0.20 per running mile (For each 176 yards or uncompleted part thereof). The others sought a much wider increases to the Table of Fares, which proposed increases in day rates and night rates across all Tariffs (Flag and First

Mile) as well as one response requesting an increase of £0.20 on each Tariff for Bank Holidays (Flag and First Mile).

- 4.5. The feedback from the formal consultation has been considered by officers and there is continued support for an increase to the hackney carriage fares. However, the suggestion that additional charges ought to be introduced for Bank Holidays was considered as excessive by officers and has not been included. All other requests for an increase have been considered and officers have taken a practical approach to create a transparent charging regime, which satisfies the needs of the trade whilst not disadvantaging members of the travelling public. The revised table of fares can be found at **Appendix A**.
- 4.6. An Equality, Social Inclusion and Health Impact Assessment (ESHIA) has been undertaken. This is attached at **Appendix B** and draws upon the consultation carried out by the service area as well as upon the evidence base already established. Due regard has thus been given to the Public Sector Equality Duty in accordance with the Equality Act 2010. As part of this process social inclusion has also been considered in line with the Council's overall approach to equality and diversity.
- 4.7. The overall impact on all Protected Characteristics groupings as defined in the Equality Act 2010, and those who are likely to be impacted in terms of social inclusion, is anticipated to be low negative due to fare increases, balanced by low positive due to retention of service. The positives are anticipated to be of particular relevance for those in the groupings of Age, Disability, Pregnancy and Maternity, and Sex, given caring responsibilities, as well as our groupings in regard to social inclusion, veteran and serving members of the armed forces and their families, and young people leaving care. Passengers will be able to avail themselves of a continued service, across our rural county, despite the increases, rather than a reduced provision as could occur if fares were to stay the same.
- 4.8. 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. The reduction in or lack of public transport services, especially in rural areas like Shropshire can have a negative impact on the access and opportunities available to population groups and their social mobility. Those most vulnerable and at risk from limited transport options and services are already experiencing health inequalities and include people with disabilities, children and young people, women, older people, people without a car, and low income groups. For example, evidence shows that people with disabilities use taxis more than those without a disability for essential journeys like healthcare, education and shopping, despite more of them living in relative poverty. This is due to a lack of available services, service times and inaccessibility of the services available.
- 4.9. The proposed increase in fares will impact those who are most reliant on taxis for the reasons cited above, especially if no other viable and affordable option is available to these identified population groups. This may then adversely affect their ability to access not only essential services but also leisure and cultural opportunities; this is potentially compounded by the rural nature of the county and brings added risks to social inclusion. However, this has been mitigated somewhat by not making the fare increases mandatory, therefore, giving the hackney carriage proprietors control and choice over fare pricing up to the maximum set.

Whilst this increase will impact the members of the public, many of whom will be struggling with the rise in fuel prices and cost of living crisis, there is a need to balance this with the health and wellbeing needs of taxi drivers. To continue to afford to work and live, i.e., a liveable wage, as fuel and living costs rise it is necessary for taxi drivers, many of whom could themselves be vulnerable or at risk individuals, to maintain their health and wellbeing under the pressures of the current cost of living crisis.

- 4.10. We did not receive any other stakeholder views on the proposals, with the absence of a customer/passenger perspective requiring us to make the most informed assessment possible at this time about customer perspectives. Accordingly, potential passengers, along with applicants, existing hackney carriage licence holders, and other stakeholders, including any who may not already be aware of the revision of the Table of Fares as a result of the engagement/consultation undertaken in the summer of 2024, will be made aware of the implementation of the fare changes through the requirement for the fares to be displayed in all hackney carriages and the fact that the information will be published on the Council's website. This will ensure that passengers, along with the hackney carriage trade and other relevant stakeholders, will have ongoing access to the fares that can be charged by hackney carriage proprietors.
- 4.11. 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.
- 4.12. 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 passengers with disabilities with the opportunity to provide feedback directly to the Licensing Team.
- 4.13. 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.
- 4.14. 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.

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 recommendation in this report.
- 6.2. It is anticipated that the increase in hackney carriage fares is expected to have 'no effect' outcome on the climate change impacts listed below:
- renewable energy generation;
 - carbon offsetting or mitigation; and
 - climate change adaptation.
- 6.3. However, with respect to energy and fuel consumption (buildings and/or travel), the ability of hackney carriage businesses to charge more for journeys means there is a greater likelihood that they will remain economically viable and, as a result, in a better position to invest in vehicles that meet the highest emission standards, including moving towards the purchase of electric vehicles in the future.

7. Background

- 7.1. The current Hackney Carriage Tables of Fares came into effect on the 13 October 2022 and can be found at **Appendix C**.
- 7.2. On the 8 April 2024 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 12 April 2024 and closed on 18 May 2024. A copy of the Table of Fares included in the informal consultation can be found at **Appendix D**.
- 7.4. A submission was received to the informal consultation and officers considered the comments made.
- 7.5. On the 12 June 2024 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 2 September 2024. 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 17 October 2024.

- 7.7. A formal consultation process was undertaken between the 1 July 2024 to 4 August 2024. An official notice of the consultation was placed in all editions of the Shropshire Star on 1 July 2024, 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 5.
- 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](#)

Strategic Licensing Committee – Hackney Carriage Table of Fares Report 5 dated 12 June 2024

[Agenda for Strategic Licensing Committee on Wednesday, 12th June, 2024, 10.00 am — Shropshire Council](#)

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 13 October 2022
 - Appendix D – Informal Consultation Hackney Carriage Table of Fares
 - Appendix E – Formal Consultation Hackney Carriage Table of Fares Notice
 - Appendix F – Officer Summary of Formal Consultation Responses
 - Appendix G - Formal Consultation Hackney Carriage Table of Fares Responses
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