

Review into West Suffolk Council's Hackney Carriage Fares

Report number:	LIC/WS/23/002	
Report to and date:	Licensing & Regulatory Committee	23 January 2023
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Decisions Plan: N/A

Wards impacted: All wards

Recommendation: It is recommended that:

1. The report be received; and
2. Members agree to maintain the Hackney Carriage Fares at their current level.

1. Context to this report

- 1.1 During the Licensing and Regulatory full-committee meeting of 11 July 2022 it was agreed to revise the hackney carriage fares. The revised fares came into effect on 19 August 2022.
- 1.2 During the meeting the Food, Safety and Licensing Manager agreed to carry out a further fare review in six months' time.
- 1.3 The purpose of this report is to seek members approval to maintain West Suffolk Council's hackney carriage fares at their current level.
- 1.4 A copy of the revised fare tables for West Suffolk is attached at Appendix A.
- 1.5 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 makes provision for the Council to fix the rates of fares for time, distance, and all other charges in connection with the hire of a hackney carriage.
- 1.6 When setting the fares, the legislation does not prevent the Council from considering any external factors, and there is no limit on the amount of increase or variation (subject to reasonableness).
- 1.7 As the Council would like to encourage the provision of high-quality hackney carriage vehicles it is important that fares are balanced, thereby ensuring proprietors are able to support the running costs associated with the high standard of vehicles required by the Council, but at the same time the fare should not be so high as to preclude use by passengers.
- 1.8 Members should note that the fares proposed are the maximum which may be charged, with drivers having the option to charge less than the metered fare should they choose.

2. Reason for Recommendation

- 2.1 In light of a reduction in fuel costs over the last six months it is considered appropriate to maintain the fares at their current level.
- 2.2 The current fare structure consists of 6 tariffs based on distance travelled and the time taken, including a standard day rate, a night-time rate and rate reserved for Christmas Eve, New Year's Eve and all Bank Holidays. Tariffs 4, 5, and 6 are reserved for when a vehicle is carrying five or more passengers.
- 2.3 Fares set by local authorities vary from area to area, to give some context the current fares set by neighbouring local authorities compare as follows for a journey of 2 miles under tariff 1:

- **West Suffolk** **£7.20**
- Ipswich £6.55
- East Suffolk North £6.60

- Mid Suffolk £6.40
- Babergh £6.26
- East Suffolk South £6.20

- 2.4 Members should note that the above fares are correct at the time of writing this report however other authorities may also be considering or in the process of reviewing fares.
- 2.5 Clearly there are a number of factors which influence the costs of operating a hackney carriage including vehicle, fuel, maintenance and insurance costs together with the general costs of living.
- 2.6 As of December, the average cost of a litre of diesel in the South East has dropped to £1.78 (Automobile Association (AA) Fuel Reports). However, it should be noted that the actual costs in the more rural areas of the district may well be in excess of these figures.

Price of Diesel (pence)		
Month	Price of Diesel (l)	Price of Diesel (g)
Jul-22	197.5	897.9
Aug-22	185.7	844.2
Sep-22	182	827.4
Oct-22	186.7	848.8
Nov-22	190	863.8
Dec-22	177.5	806.9

Table 1 – Six-monthly review of diesel costs

- 2.7 Whilst the data shows an overall reduction in the cost of diesel it should be noted that the sample set has been collected over a relatively short period of time.
- 2.8 Considering both the short time frame over which this has been collected and decreased overall running costs associated with the sector, Members are asked to consider maintaining taxi fares at their current level.

3. Risks associated with the proposals

- 3.1 It is important that fares reflect the running costs associated with operating hackney carriage vehicles. Failing to review the fares could be detrimental to hackney carriage proprietors, particularly where the operating costs make the business financially unviable as it currently stands.
- 3.2 Increasing the cost of using taxis may also impact those who are partly or wholly reliant on taxis for transport

4. Implications arising from the proposals

4.1 The following implications have been identified:

Financial

If a change in fares is approved, then the Council must advertise the proposed fare in a local newspaper which can be accommodated within existing service budgets.

Any increase in fares would have a financial effect on taxi-users throughout West Suffolk Council

Any change in fares would incur a small, one-off cost to all hackney carriage proprietors for a meter recalibration.

Legal

Where an Authority makes or varies a Table of Fares it must publish in at least one local newspaper a notice setting out the Table or variation, specifying a period not less than 14 days within which objections may be made, and keep a copy of the notice at its offices open to public inspection. If no objection is received or all objections are withdrawn, the Table or variation comes into operation. If an objection is made and not withdrawn, the council must set a further date for the Table or variation to come into effect, with or without modification as decided by it after consideration of the objections.

5. Appendices referenced in this report

5.1 Appendix A – Current Fare Tables
Appendix B – Data Sources

6. Background documents associated with this report

6.1 Agenda for Licensing and Regulatory Committee of 11 July 2022:
<https://democracy.westsuffolk.gov.uk/ieListDocuments.aspx?CIId=529&MIId=5203>