

# Cabinet Report



Listening Learning Leading

Report of Head of Legal and Democratic

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To: CABINET

Date: 29 September 2022

## Hackney carriage fares

### Recommendations

Cabinet is recommended to

- (a) consider the results of the consultation at **Appendix B**
- (b) adopt the proposed maximum hackney carriage fares at **Appendix C** with effect from 1 October 2022

### Purpose of Report

1. To report on the results of a recent consultation in order that the Cabinet can set maximum fares for journeys carried out by South Oxfordshire licensed hackney carriages within the South Oxfordshire district.

### Corporate Objectives

2. The relevant strategic objectives are 'Openness and accountability' and 'Improved economic and community wellbeing'.

### Background

3. In June 2021, the council adopted a new Joint Taxi Licensing Policy which included setting a maximum tariff for journeys carried out by South Oxfordshire licensed hackney carriages within the South Oxfordshire district, with the aim of protecting the public, reducing the risk of fraudulent fares and ensuring consistency whilst still allowing for competition between companies.

- There are only six councils (including South Oxfordshire) in the country that do not set a tariff.

## Proposed fares

- There is a suggested method (created by Guildford Borough Council) for calculating a hackney carriage tariff which we initially looked at. However this resulted in extremely high figures when compared to our neighbouring authorities. As much of South Oxfordshire is a rural district, these fares seemed excessively high especially when considering that some people rely on taxis for their main mode of transport.
- As we already have a tariff at Vale of White Horse District Council which we are reviewing at the same time, we compared data including the cost of living and average earnings in South Oxfordshire with Vale of White Horse and found them to be comparable. We have therefore taken the Vale of White Horse tariff figures and applied the annual inflation (CPI) for every year since it was last reviewed, which produced figures which are closer in line with neighbouring authorities.
- The proposed hackney carriage fares which went out to consultation are attached at **Appendix A**.

## Consultation

- The consultation ran from 29 June 2022 to 3 August 2022. A survey link was sent directly to all 327 hackney carriage proprietors who between them hold licences for 446 hackney carriage vehicles, and details included in the taxi newsletter sent to all licence holders on 6 July 2022. A notice was placed in local newspapers and at the council offices in accordance with section 65 of the Local Government (Miscellaneous Provisions) Act 1976. In addition we held a drop-in session at Great Western Park District Centre on Tuesday 5 July and officers have visited each of the ranks in the district at least twice during that period.
- A report on the results of the consultation can be found at **Appendix B**.
- There were 64 completed responses to the consultation, and the officer comments on the responses within **Appendix B** include how some the suggested amendments have been incorporated into the proposed new tariff at **Appendix C**.
- If we adopt the tariff proposed in **Appendix C**, South Oxfordshire will be the joint 16<sup>th</sup> highest tariff in the country (out of 349 councils) for a two mile journey on Tariff 1. This is based on data accessed at [www.phtm.co.uk/taxi-fares-league-tables](http://www.phtm.co.uk/taxi-fares-league-tables) on 16 September 2022. A table of the top 25 fares including the year the tariff was last changed by that council is shown below.

Position	Council	2 mile fare	Last change
1	London (Heathrow)	£13.40	2022
2	Guildford	£10.00	2022
3=	Epsom & Ewell	£9.80	2022
3=	London	£9.80	2022
5	Luton Airport	£9.70	2020

6	Stevenage	£8.70	2022
7=	Mid Sussex	£8.40	2022
7=	Watford	£8.40	2017
9=	Huntingdonshire	£8.30	2022
9=	Uttlesford	£8.30	2021
11=	Broxbourne	£8.20	2022
11=	Carrick	£8.20	2022
11=	Hart	£8.20	2022
11=	Wokingham	£8.20	2022
11=	Worthing	£8.20	2022
16	Brentwood	£8.10	2022
17=	Breckland	£8.00	2022
17=	Coventry	£8.00	2022
17=	Maidstone	£8.00	2022
17=	Reading	£8.00	2021
17=	Rushcliffe	£8.00	2022
17=	Stroud	£8.00	2022
17=	Torridge	£8.00	2022
17=	Tunbridge Wells	£8.00	2022
25=	Isle of Man	£7.90	2022
25=	Restormel	£7.90	2022

The figures for some neighbouring local authorities can be found in the table below. West Oxfordshire are in the process of consulting on an increase to their fares, which if agreed as proposed would change their figures to those shown in brackets.

39	Oxford City	£7.60	2021
53	West Berks	£7.40	2021
75	Cotswold	£7.10	2022
145	Swindon	£6.70	2017
228 (61)	West Oxon	£6.20 (£7.20)	2017 (2022)
246	Buckinghamshire	£6.00	2021
310	Cherwell	£5.56	2013

## Implementation

12. The new fares take effect from 1 October 2022 and drivers will be allowed a period of one month to get their meters updated with their meter company representative.

## Future reviews

13. As the cost of living continues to increase, we are open to reviewing the tariff again within the next 12 months.

## Options

14. The Cabinet may further alter the figures in **Appendix C** as they consider appropriate.

## Climate and ecological impact implications

15. There are no anticipated climate and ecological implications arising from the adoption of the proposed policy.

## Financial Implications

16. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For South, the position reflected in the council's medium-term financial plan (MTFP) as reported to Full Council in February 2022 showed that the council is due to receive £2.1 million less in revenue funding than it plans to spend in 2022/23 (with the balance coming from reserves).
17. This funding gap is predicted to increase to over £3 million by 2026/27. As there remains no certainty on future local government funding, following the announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisant of the need to address this funding gap in future years.
18. There are no anticipated financial implications arising from the adoption of the proposed policy.

## Legal Implications

19. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 states that a district council may fix the rates or fares for journeys within the district, and all other charges in connection with the hire of a hackney carriage.
20. Under section 65(4), where there are objections, the district council shall set a further date, not later than two months after the first specified date [4 August 2022 was the first specified date, on which the fares would have come into force if there were no objections] on which the fares shall come into force with or without modifications as decided by them after consideration of the objections.

## Risks

21. Failure to properly consider the objections and failure to set the new fares to take effect from 1 October could result in the council not complying with the relevant legislation as detailed above.

## Other implications

22. Whilst officers are mindful of the current cost of living increases and the need to set a tariff to support licence holders who are running a business, increasing the tariff any higher than suggested will have an impact on the users that need the service the most, namely those on lower income and those with disabilities. However, if a tariff is not set, licence holders would be able to set their own rates which could also impact on people that rely on taxis most.

## Conclusion

23. Cabinet is recommended to

- (a) consider the results of the consultation at **Appendix B**
- (b) adopt the proposed maximum hackney carriage fares at **Appendix C** with effect from 1 October 2022

## Appendices

- Appendix A – Proposed hackney carriage fares which went out to consultation
- Appendix B – Report on consultation
- Appendix C – Proposed new hackney carriage fares