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| Agenda Item No: | <b>8</b>  |  |
| Committee:      | <b>Cabinet</b>  |  |
| Date:           | <b>15 November 2024</b>   |  |
| Report Title:   | <b>PROPOSED INCREASE TO CURRENT HACKNEY CARRIAGE VEHICLE TABLE OF FARES</b> |  |

## 1 Summary

- 1.1 To review the deferred decision made during the previous Cabinet meeting on 30th September 2024 and consider the results following a further consultation with the Taxi trade.

## 2 Key issues

- 2.1 The current review was instigated following a request with support by others from the taxi trade for an increase to the Table of Fares.
- 2.2 An increase in the Taxi tariff, is subject to a 14-day notice period in the newspaper whereby we can receive objections and/or comments.
- 2.3 Section 65 of the Local Government (Miscellaneous Provision) Act 1976 gives Local Authorities power to determine maximum rates and fares charged by Hackney Carriages.
- 2.4 The last table of fares were amended in 2022.
- 2.5 To be clear the Taxi trade can charge less than this amount if they would like to do so as the proposed charges are discretionary.
- 2.6 The table of fares applies only to Hackney Carriage vehicles. Private Hire Operators can agree their hiring charges in advance with their customers at the time of booking the journey
- 2.7 It is at the discretion of the Council as the Licensing Authority to set a Table of Fares for licensed Hackney Carriages operating within the district if it chooses to do so

## 3 Recommendations

- 3.1 For Cabinet to decide whether to support the recommendation from the Licensing Committee and implement the previously proposed fee increase or to take no action at this time and to instead determine whether and when a further review should take place as a result of this process.

|                      |   |
|----------------------|---|
| Wards Affected       | All   |
| Portfolio Holder(s)  | Councillor Sam Hoy, Portfolio holder with responsibilities for licensing <a href="mailto:shoy@fenland.gov.uk">shoy@fenland.gov.uk</a>   |
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| Background Paper(s)  | Local Government Miscellaneous Provisions Act 1976 Part Two   |

## Report:

### **1 Background and Intended Outcomes**

- 1.1 On the 10 July 2024, Licensing Committee met to review and consider the responses received to the proposed increase in the Hackney Carriage Table of Fares. All information relating to the request and the Committee discussion can be found at [Agenda for Licensing Committee on Wednesday, 10th July, 2024, 1.00 pm - Fenland District Council](#)
- 1.2 This decision was then referred to Cabinet on 30 September 2024. During this meeting, the decision was deferred, all information relating to this meeting, including the agenda and decision can be found at [Agenda for Cabinet on Monday, 30th September, 2024, 2.00 pm - Fenland District Council](#)
- 1.3 Following the Cabinet meeting a further consultation was held with the Taxi trade only, the purpose of this consultation was to ensure all queries were clear on the proposed tariff and subsequent % increase.
- 1.4 The consultation was emailed out and then followed up with any non-responses. During the time period for consultation, we received a total of 62 responses. 17 of these were in favour of the increase and 44 opposed with 1 unclear. A further objection letter was received outside the consultation period but as an exception was included for consideration. There were 16 signatories to the letter however 10 of the signatories had already submitted individual responses so only 6 additional responses were added to the total figure.  
  
A copy of the results including comments can be found at **APPENDIX A**
- 1.5 The Council has 133 Licensed Vehicles, they are split into 76 Hackney Carriage and 57 Private Hire.
- 1.6 The Private Hire and Taxi Monthly (PHTM), a national taxi trade publication, produces a monthly league table of all UK Council hackney carriage fares. This league table shows that Fenland District Council's current fare tariff, for a 2-mile journey, sits in 283rd place out of 341 licencing authorities listed. The standard measure for the purpose of making comparisons is a 2-mile journey and this is why that measure has been used for the purpose of compiling this and previous reports. The percentage and ranking does vary for longer journeys.

### **2 Legal Considerations**

- 2.1 Section 65 of the Local Government (Miscellaneous Provision) Act 1976 gives Local Authorities power to determine maximum rates and fares charged by Hackney Carriages.
- 2.2 Article 7, paragraph 1.1 of the Council's Constitution specifies that Cabinet will carry out all of the Council's functions which are not the responsibility of any other part of the Council, whether by law or under this Constitution. Paragraph 2.4 of Article 4 of the Constitution specifies the functions which are reserved to Full Council, of which tariff setting is not one. Similarly, neither has this function been otherwise delegated nor does it come within the functions which must not be the responsibility of a local authority's executive by law. It was therefore advised that Cabinet would be the correct forum via which the decision in relation to the tariff setting could be made.

### **3 Equality Implications**

- 3.1** We will ensure the Council has regard to the desirability of exercising its functions with regard to the need to eliminate discrimination and to increase equality of opportunity.

### **4 Social, Environmental and Economic Implications**

- 4.1** Any decision to increase taxi fares would have a positive impact on the taxi trade, primarily economically.
- 4.2** In addition, the report has identified the balance that is required to be struck by supporting our taxi trade and not exposing users of taxis to such an increase in fares, that would lead to journeys becoming too expensive, thus having social implications linked to a lack of social mobility, and economic implications by additional money having to be spent on transport.
- 4.3** Members should note that the tariff is the maximum permitted fare that can be charged, and that vehicle proprietors can choose to charge less should they wish. The tariff is only applicable to Hackney Carriages, and not Private Hire Vehicles.

### **5 Conclusions**

- 5.1** For Cabinet to decide whether to support the recommendation from Licensing Committee to implement the proposed fee increase or take no action at this time and instead, having regard to the representations received, consider whether and when a further review should take place as a result of this process.

### **6 Schedules**

- 6.1** Appendix A - Consultation Responses
- 6.2** Appendix B - Consultation response letter

## APPENDIX A

| Response No. | Date responded | HC/PH Driver | HC/PH Vehicle | In agreement with new tariff - Y/N | Comments  |
|--------------|----------------|--------------|---------------|------------------------------------|---|
| 1            | 11/10/24       | HC           | HCV           | No                                 | Why do we need this change I personally think the charges are fine as they are as I personally would not pay the rates for the new proposed changes. Why do we need this change I personally think the charges are fine as they are as I personally would not pay the rates for the new proposed changes. Gd morning as previous email I don't agree with the price increase so I have amended a copy of the tariff to which I believe is a reasonable fare to charge.  |
| 2            | 11/10/24       | HC           | HCV           | Yes                                | Yes, I agree with proposed new tariff.  |
| 3            | 11/10/24       | HC           | HCV           | No                                 | I do not agree in the proposed new tariff. It will be dangerous for the trade to have some drivers charging the new proposed rate.  |
| 4            | 11/10/24       | PH           | PHV           | No                                 | Disagree, we are already losing school contracts because we are undercut. No I disagree with proposed tariff, I don't understand if you do not have to charge it why change it ?  |
| 5            | 11/10/24       | N/A          | Op            | No                                 | 1) Increase too steep. 2) Disagree with 8pm as family time/factory workers hometime. Will attract illegal taxis and taxis from out of the district. See email for more.   |
| 6            | 11/10/2024     | Operator     | Op            | No                                 | Hi, I disagree with the new proposed Tariff.  |
| 7            | 11/10/24       | HC           | HCV           | No                                 | No  |
| 8            | 11/10/24       | HC           | HCV           | No                                 | Totally disagree with all proposed changes especially the 20.00 price increase as it's not an unsociable hour to increase the charges   |
| 9            | 11/10/24       | HC           | HCV           | No                                 | Totally disagree with the changes. It's a dying business in a dying town.   |
| 10           | 11/10/24       | HC           | HCV           | No                                 | No strongly disagree with the increase please advise me if this goes through do I have to update my meter or can I leave it at the old rate .   |
| 11           | 11/10/24       | HC           | PHV           | No                                 | No I strongly disagree with this tariff increase  |
| 12           | 11/10/24       | HC           | PHV           | No                                 | Please note that both of us object in the strongest terms to the new tariff proposed by Fenland District Council. While you state that this would take us to number 112 in the ranking table it should be noted that this is based only on a 2 mile journey. Thereafter we would become one of the highest tariffs in the country per mile travelled after the first 2 miles. We cannot understand why Fenland District Council would even consider setting such a high tariff in an area of high deprivation |
| 13           | 11/10/24       | HC           | N/A           | No                                 | Further to my email I would like to add the following. I believe my statement is totally correct after the 1st mile has been travelled the amount per mile rises from £2.20 per mile to £3.30 per mile and as stated that represents an increase of 50% on the chargeable amount allowed following the first mile.  |
| 14           | 12/10/24       | HC           | HCV           | Yes                                | Yes I am in agreement with the new proposed tariff  |
| 15           | 13/10/24       | HC           | N/A           | Yes                                | Thanks for your email Yes I agree with the proposed Tariff changes  |
| 16           | 14/10/24       | HC           | HCV           | No                                 | No disagree with the proposed NEW increase  |
| 17           | 14/10/24       | HC           | HCV           | No                                 | Against the proposed rise.  |

|    |          |    |     |     |  |
|----|----------|----|-----|-----|--|
| 18 | 14/10/24 | HC | HCV | No  | Good morning i am opposing the fare increase reasons are as follows; we as traders in march need time for the public to get used to the new taxis rank/ranks as we have been hit very hard by the regen work an any increase would do more harm than good. It would be nice to regain the publics confidence in taxis an taxi rank which will take a while specially for the old folk as a lot of then dont do online. Then when town is back up an running an the public get used to the rank being in diff parts of town, the situation could be reassessed thanks |
| 19 | 14/10/24 | HC | HCV | Yes | Yes in agreement with the proposed NEW tariff  |
| 20 | 14/10/24 | HC | HCV | No  | I wish to object to the proposal of the new taxi price fare increase.  |
| 21 | 14/10/24 | HC | HCV | No  | This shows how complicated the process is for the general public to understand. I am totally opposed to this new fare increase. There are also two options available - choose "yes" or choose "no" , in my opinion there should have been a third option for annual reviews. which have been asked for in the past, that should be directly discussed by a working panel to include officers and drivers/operators. Then to "agree" a new tariff that should be put forward to full council.<br><br>I am also opposed to the decision being purely made by Cabinet.  |
| 22 | 14/10/24 | HC | N/A | Yes | Yes we agree to the proposed changes   |
| 23 | 14/10/24 | HC | N/A | No  | Hi when my taxi licence runs out in December I am not going to renew it as the work around wisbech is not there any more was having to work up yo 15hours to make it pay and now the rates are to be going up again it only gonna get worse as people not going to be able to afford a cab any more a a 4 mile trip for an oap to go shopping is gonna cost them £14+ I think it is crazy I'm not out to rob people  |
| 24 | 15/10/24 | HC | HCV | No  | Hi ...as for the taxi consultation as i replied previously I am against this increase at the present time and think the current tarrif is ok thanks you  |
| 25 | 15/10/24 | HC |     | Yes | Yes. In agreement with this proposal   |
| 26 | 15/10/24 | HC |     | yes | That would be very good idea if the council can implement it to relieve stress from the drivers I support this proposal  |
| 27 | 15/10/24 | HC |     | yes | Yes  |
| 28 | 15/10/24 | HC |     | yes | Yes I agree with the proposed new tariff.<br>I do think that this would've been a good opportunity to add a fair 6/8seater tariff, as that does need to be looked at.  |
| 29 | 15/10/24 | HC |     | yes | Hi , yes we agree to the new tariff.   |
| 30 | 15/10/24 | HC |     | No  | I disagree   |
| 31 | 15/10/24 | HC |     | No  | No disagree with the proposed NEW increase   |
| 32 | 15/10/24 | HC |     | yes | Yes agree with new tariff.   |

|    |          |    |     |     |   |
|----|----------|----|-----|-----|---|
| 33 | 15/10/24 | HC |     | No  | <p>You already know if you change the mileage rate by such a huge amount it will kill the Hackney carriage trade when we are already struggling due to the private hires perhaps if you made private hires operate from installed meters and are on the same footing and tariff as Hackney carriages then their wouldn't be such an issue with these proposed changes . Despite you saying it's the maximum a Hackney cab can charge most of us rely on our meter to charge the customers correctly all this will make us struggle even more perhaps if you clamped down on the amount of private hires that aren't licensed in fenland from operating in this area working for certain companies with their app system that might be a good place to start before bringing in any changes! Whilst I agree Hackney carriages should have a rise in fares perhaps in line with inflation the 45 percent mileage increase is ludicrous ! When I was licensed in Poole Dorset all the taxis and private hires operated from the same rates it was all</p> <p>Done via meters all set to the same tariff why can't it be the same here ?</p> <p>Also surely a mainly private hire company with a meter on its app</p> <p>Is surely against the current legislation.or aren't we supposed to state this ?</p> <p>Yours currently very disgruntled.. Ps it also might help if you actually put a Hackney rank in March along broad street or in the town itself as the current one on station road is not fit for purpose and at least 90 percent of the time a taxi can't even use it as the general public use it for parking</p> |
| 34 | 15/10/24 | HC |     | yes | Yes   |
| 35 | 15/10/24 | HC |     | No  | <p>I am happy with 11pm, if it changes to 8pm people will be unhappy and not book taxis. I do not want to change the tarif.</p> <p>Thank you,</p>   |
| 36 | 15/10/24 | HC |     | yes | Yes   |
| 37 | 15/10/24 | HC |     | No  | <p>To whom it may concern</p> <p>Regards the proposed change to the increase in Hackney Carriage Fares.</p> <p>No I disagree with the proposed new increase.</p>  |
| 38 | 15/10/24 | HC |     | No  | No to the new tariff  |
| 39 | 15/10/24 | PH |     | No  | No  |
| 40 | 15/10/24 | HC |     | No  | No  |
| 41 | 15/10/24 | HC |     | No  | No  |
| 42 | 15/10/24 | HC |     | No  | No  |
| 43 | 15/10/24 | HC |     | No  | No need to stay the same  |
| 44 | 15/10/24 | HC | HCV | No  | To Whom It May Concern, No I disagree with the proposed increase in the Hackney Carriage Fares. Best Regards  |
| 45 | 15/10/24 | HC |     | yes | Thank you, Hope it will be implemented soon as possible. Thank you. All Good, waiting for implementation  |
| 46 | 15/10/24 | HC |     | No  | I'm totally against any increases , they are not needed and not wanted  |
| 47 | 15/10/24 | HC |     | No  | Hi , I would still like to say no to this proposal. I don't think it's the right time for this sue peoples financial situation. This may kill the trade more than help it.  |
| 48 | 15/10/24 | HC |     | No  | No I disagree   |

|    |          |     |     |        |  |
|----|----------|-----|-----|--------|--|
| 49 | 15/10/24 | N/A |     | No     | I do not think the price increases are viable. Putting the prices up to the proposed rates would kill the trade. Business is hard enough without losing the regular customers we already have. I am not adverse to a slight increase as people paying by card cost the drivers money with card machine charges but to increase by the amount proposed would simply force drivers out of the trade because we would have no work. It certainly would not encourage new drivers and the public already complain about the lack of taxis. The problem isn't the fares it is that people looking into getting into the trade cannot afford it and the amount of hoops they have to jump though are unrealistic to the job. Routes they will never drive. Maybe making getting into the trade easier would increase custom and then a price increase wouldn't be such an issue. The cost of living has risen so a slight increase is realistic but not to the point the public cannot afford it and kills the trade. We pay alot every year to with the charges associated with being in the trade so i feel we should have some sort of imput in these decisions that will be acknowledged |
| 50 | 15/10/24 | HC  |     | No     | Hi , I not accept this new changes . I would like that this night rate still start from 11pm , not from 8pm .  |
| 51 | 15/10/24 | HC  |     | No     | No disagree with the proposed NEW increase   |
| 52 | 16/10/24 | HC  |     | No     | No i dont feel they need to be increased.  |
| 53 | 17/10/24 | HC  | HCV | Unsure | Good afternoon, First of all to the new meter prices lam unsure so won't be answering a yes or no thank you.   |
| 54 | 17/10/24 | HC  | HCV | No     | No I think the new charges will be counter productive as people are struggling with the cost of living   |
| 55 | 17/10/24 | HC  | HCV | yes    | Agree with new tariff  |
| 56 | 17/10/24 | HC  | HCV | No     | Good morning, I completely disagree to the proposed new rates. I do agree there should be a slight increase as most customers pay by card and so the card reader companies take a percentage. The customers are struggling to afford Taxis and to increase by that much would kill the taxi trade.   |

|    |          |    |  |    |  |
|----|----------|----|--|----|--|
| 57 | 17/10/24 |    |  |    | <p>I am writing to express my strong opposition to the proposed increases in Hackney tariff charges. I believe these changes will significantly harm the residents of Fenland, who depend on local taxis for essential transportation, especially amid the ongoing cost of living crisis.</p> <p>Many residents rely on taxis for shopping and commuting, and any fare increases could lead to them seeking alternative, less reliable transportation options. This shift would further impact the local taxi trade negatively.</p> <p>Moreover, the local economy in Fenland, particularly in March, has not recovered to pre-COVID levels. With fewer people dining and socializing out, the proposed tariff changes, especially the adjustment of peak charges starting at 20:00 instead of 23:00, will deter even more residents from using taxis during the evenings. The removal of the taxi rank in the town center has already frustrated residents and reduced the number of available fares, exacerbating the situation.</p> <p>Additionally, claims that fare increases will attract more Hackney carriage drivers lack substantiation. The substantial startup costs—meter installation, badges, and vehicle acquisition—far outweigh any potential revenue from higher fares. These barriers, coupled with a declining local economy and inadequate taxi infrastructure, will deter both new and existing drivers from remaining in the trade.</p> <p>Furthermore, the proposed changes impose additional costs on current drivers for meter recalibrations and lost revenue during these transitions. The mention of a forthcoming “tidy-up” of tariffs will only add to the financial burden if done separately.</p> <p>Finally, I am concerned that these changes primarily serve the interests of private hire companies at the expense of Hackney carriage drivers. This shift could unfairly disadvantage local operators who are already struggling.</p> <p>Thank you for considering my views on this important matter.</p> |
| 58 | 17/10/24 | HC |  | No | No I disagree with the proposed new increase   |
| 59 | 18/10/24 | HC |  | No | <p>Please be advised I do not agree to the proposed tariffs.</p> <p>I think the prices do need to go up but not by much. Just enough to cover rising expenses but not too much that we lose custom.</p>  |



|    |          |    |     |   |
|----|----------|----|-----|---|
| 60 | 20/10/24 | HC | No  | <p>I would like to strongly disagree with the proposed NEW increase.</p> <p>In the current financial climate the proposed increases will ensure further decline in our trade.</p> <p>Increasing the rate, will reduce the amount of customer able to use Taxi's, making online Grocery shopping more appealing for example.</p> <p>This will in turn reduce the work available, resulting in a reduced income for all driver.</p> <p>How, I see it, it will then result in some drivers being unable to continue to keep their license,</p> <p>Which will mean you will then have a decline in number of Fenland taxi drivers, therefore hours covered will be reduced and fenland citizens not able to get a taxi for their important doctors, hospital or general weekly social visits.</p> <p>I feel confident to voice the above, regarding the decline in customers, because as I am sure you can appreciate Wisbech is a small town, and customers are already fearing the increase, hoping it will not happen. However, as you can imagine, I have spoken to many other drivers who feel as strongly as myself, so I hope they have expressed their worries and concerns.</p> <p>Also moving to the 2nd tariff at 8pm will again put another reason customers cannot afford to use a taxi on a night out.</p> <p>working a two tariff systems; some using some not is not a workable option</p> <p>Although we all want more money naturally, personally I feel this is not the time to be implementing such an increase.</p> <p>you are welcome to give me a call to discuss further.</p> |
| 61 | 20/10/24 | HC | yes | Yes, in agreement with the proposed new charges.  |
| 62 | 20/10/24 | HC | yes | Would just like to say I am in agreement with the proposed new tariffs thank you  |
| 63 | 22/10/24 | HC | No  | Please see attached document - appendix B   |

**Subject: Formal Objection to the Proposed Hackney Carriage Tariff Increase****22<sup>nd</sup> October 2024****Dear licencing**

We believe its wholly unreasonable and suspicious that we've been given only two options: either accept the proposed unprecedented tariff increase or nothing at all. Weve been told this increase would place us 6<sup>th</sup> out of 9 neighbouring authorities.

However, a simple fact-check of council tariff rates suggests otherwise. Below is a comparison of fares from neighbouring councils (Cambridge South not included due to unavailable data):

**BOLD** = Highest price

|                 | Fenland      | South Holland | King Lynn & WN | East Cambs | Huntingdon -shire | Peterborough | Cambridge City |
|-----------------|--------------|---------------|----------------|------------|-------------------|--------------|----------------|
| <b>2 miles</b>  | 7.50         | 6.15          | 7.00           | 6.80       | 8.01              | 6.00         | <b>8.35</b>    |
| <b>5 miles</b>  | <b>17.40</b> | 11.55         | 13.00          | 13.40      | 15.93             | 12.00        | 15.40          |
| <b>10 miles</b> | <b>33.90</b> | 20.55         | 23.00          | 24.40      | 29.13             | 22.00        | 27.15          |
| <b>20 miles</b> | <b>66.90</b> | 38.55         | 43.00          | 46.40      | 55.53             | 42.00        | 50.65          |
| <b>30 miles</b> | <b>99.99</b> | 56.55         | 63.00          | 68.40      | 81.93             | 62.00        | 74.15          |

Apart from the 2-mile journey, the proposed FDC tariff is significantly higher than *all* neighbouring councils. Averaging the bordering rates highlights the true extent of this disparity:

|                 | Ave       | FDC % +       |
|-----------------|-----------|---------------|
| <b>2 miles</b>  | £7.05     | + <b>6.4%</b> |
| <b>5 miles</b>  | £13.54    | + <b>28%</b>  |
| <b>10 miles</b> | £24.37    | + <b>39%</b>  |
| <b>20 miles</b> | £46.02    | + <b>45%</b>  |
| <b>30 miles</b> | £67.67    | + <b>48%</b>  |
|                 | Average % | + <b>42%*</b> |

(\*Ave% = difference in value of total fares / by total value of Ave neighbouring fares)

This raises a crucial question: why is FDC proposing a tariff increase that averages 42% higher than neighbouring councils, while misleading us to believe we would only rank 6<sup>th</sup> locally?

The council claims this increase will attract more drivers, but where is the evidence? In March, drivers have faced significant challenges, from COVID-19 to town regeneration efforts leading to a decrease in business and market saturation. There seems to have been no consultation with the trade, and no data presented to suggest a significant unmet demand. Whose advice is the council acting on?

Cllr Hoy, the portfolio holder for licensing, reportedly said, "if I ever need a taxi... they are not available." Assuming this includes both taxis and Private Hire (PH) vehicles, why is there a shortage of PH drivers? They face no restrictions and can set their own fares. If an unrestricted PH system hasn't attracted more drivers, how will increasing the maximum Hackney Carriage (HC) tariff help?

## **Subject: Formal Objection to the Proposed Hackney Carriage Tariff Increase**

Therefore, many of us believe this tariff increase is designed to benefit PH firms favoured by the council, making them appear more competitive. PH drivers often charge more than the legally capped taxi fares, leaving them looking uncompetitive. Then, without clear reasoning, the council suddenly proposes an unprecedented increase to our maximum tariff.

And yes, we know taxi drivers don't need to charge the full rate; however, without adjusting their fares this still allows private hire companies to market themselves as the cheaper option, even when that may not be true. Our concerns about this process are therefore amplified by:

1. The excessive nature of the proposed increase.
2. The lack of data supporting its stated purpose.
3. The misleading claim that we'd rank 6<sup>th</sup> locally.
4. The absence of a more moderate third option.
5. The shift from a full council vote to a cabinet decision.
6. The council's refusal to disclose who proposed this level of increase and why.

We must, therefore, demand the immediate halt of this flawed process and a more reasonable increase be proposed.

***The letter of objection was signed by 16 individuals, 10 of whom had already submitted individual responses. This letter has therefore been counted as comprising 6 new objections.***