

**BROMSGROVE DISTRICT COUNCIL**

**LICENSING COMMITTEE**

**11<sup>th</sup> November 2024**

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**REVIEW OF HACKNEY CARRIAGE TABLE OF FARES**

Relevant Portfolio Holder	Councillor K Taylor
Portfolio Holder Consulted	No
Relevant Head of Service	Simon Wilkes – Head of Worcestershire Regulatory Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district. It is good practise to review the table of fares on a regular basis.

**2. RECOMMENDATIONS**

- 2.1 **That the Licensing Committee note the contents of the report and that no further action is required at the present time.**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 The costs of advertising any proposed variations to the table of fares for hackney carriages would be met from existing budgets held by Worcestershire Regulatory Services.

**Legal Implications**

- 3.2 Section 65 (1) of the Local Government (Miscellaneous Provisions) Act 1976 states that a district council may fix the rates or fares within the district as well for time as distance, and all other charges in connection with the hire of a vehicle or with the arrangements for the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table (hereafter in this section referred to as a “table of fares”) made or varied in accordance with the provisions of this section.

- 3.3 Section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 goes on to state:
- a) When a district council make or vary a table of fares they shall publish in at least one local newspaper circulating in the district a notice setting out the table of fares or the variation thereof and specifying the period, which shall not be less than fourteen days from the date of the first publication of the notice, within which and the manner in which objections to the table of fares or variation can be made.
  - b) A copy of the notice referred to in paragraph (a) of this subsection shall for the period of fourteen days from the date of the first publication thereof be deposited at the offices of the council which published the notice, and shall at all reasonable hours be open to public inspection without payment.
- 3.4 If no objection to a table of fares or variation is duly made within the period specified in the notice referred to in section 65 (2), or if all objections so made are withdrawn, the table of fares or variation shall come into operation on the date of the expiration of the period specified in the notice or the date of withdrawal of the objection or, if more than one, of the last objection, whichever date is the later.
- 3.5 If objections are made and are not withdrawn, the district council must set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objections.

**Service / Operational Implications**

- 3.6 The Council has responsibility under the Local Government (Miscellaneous Provisions) Act 1976, for setting the maximum fares that can be charged by hackney carriage vehicles licensed to operate within the district.
- 3.7 Hackney Carriage ("Taxi") fares are made up of an initial hiring charge and a "mileage" rate, both of which are expressed in terms of distance and / or time per unit cost. This is because when a hired taxi is stationary or moving slowly in traffic the meter continues charging, but by time, instead of distance.

- 3.8 The table of fares applies only to hackney carriage vehicles. Private hire operators are free to agree their hiring charges in advance with their customers, normally at the time of booking the journey.
- 3.9 The current table of fares can be seen at **Appendix 1**. This table of fares was approved by the Licensing Committee at its meeting on 29<sup>th</sup> September 2022 and took effect on 7<sup>th</sup> November 2022.
- 3.10 Upon approval of a revised table of fares in March 2022, Members of the Licensing Committee expressed the view that the table of fares should be regularly reviewed to avoid a situation where a large increase is requested following several years without a review having taken place.
- 3.11 Therefore a review was undertaken in November 2023 when Members decided not to make any changes to the table of fares.
- 3.11 As it is around a year since the current table of fares was last reviewed, officers have prepared this report in order to provide Members with an opportunity to review it again.
- 3.12 Prior to commencing the preparation of this report, a number of attempts were made by officers to contact the Chairman of Bromsgrove's Taxi Association to see if the members of that Association would like to request any amendments to the current table of fares. Unfortunately, no response was received by officers.
- 3.13 According to data from the Department for Energy Security & Net Zero, the average price per litre of ultra-low sulphur petrol and ultra-low sulphur diesel in the week when the existing table of fares took effect was:

	<b>Pence per litre</b>
Ultra-low sulphur petrol	165.62p
Ultra-low sulphur diesel	189.79p

- 3.14 According to the same data, the average price per litre of ultra-low sulphur petrol and ultra-low sulphur diesel at the time this report was prepared was:

	<b>Pence per litre</b>	<b>Change</b>
Ultra-low sulphur petrol	134.41p	↓ 18.8%
Ultra-low sulphur diesel	139.71p	↓ 26.4%

- 3.15 Average petrol and diesel prices are currently significantly lower than they were when the existing table of fares was implemented on 7<sup>th</sup> November 2022.
- 3.16 However fuel prices are just one matter that Members might consider relevant for them to consider, the rate of inflation during this period is also worthy of consideration.
- 3.17 According to the data from the Office of National Statistics the Consumer Prices Index (CPI) rate of inflation in the 12 months to November 2022 was 10.7%, which was close to its peak of 11.1% in October 2022. This rate of inflation had fallen to 3.9% in November 2023 when the table of fares was last reviewed.
- 3.18 According to the latest data available from the Office of National Statistics when this report was produced, the Consumer Prices Index (CPI) rate of inflation in the 12 months to September 2024 was 1.7%, down from 2.2% in August 2024.
- 3.19 This indicates that the rate of inflation has gradually reduced over the past two years and is now just below the Bank of England’s target rate of 2%. On it’s “What will happen to inflation?” webpage at the time this report was produced, the Bank of England said the following in respect of inflation:

*“Inflation is the measure of how quickly prices have risen over the past year. It was over 11% in the autumn of 2022, but it fell to 2.2% in August this year.*

*The pressures that were pushing up prices have eased, and the increases in interest rates we made during 2021–2023 have also helped to slow down those price rises.*

*We can't predict exactly what will happen to inflation, but we think it is likely to edge up to about 2.5% towards the end of the year before falling again.*

*While prices overall are very likely to go up more slowly than they have done in recent years, lower inflation doesn't mean prices will fall. Most things will still cost more than they did before."*

- 3.20 Taking into account the latest fuel price data, the current rate of inflation, the Bank of England's latest statements in respect of inflation, along with the views expressed by representatives of the Bromsgrove Taxi Association, officers recommend that no changes are made to the table of fares at this time.
- 3.21 Members are therefore asked note that this matter has been reviewed and that no further action is required at the present time. A further review will be held in around twelve months' time or earlier if there is a pressing need to do so.

#### **4. RISK MANAGEMENT**

- 4.1 None

#### **5. APPENDICES**

Appendix 1 – Current Table of Fares

#### **AUTHOR OF REPORT**

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