

Taxi Licensing Committee



Date of meeting:	10 August 2023
Title of Report:	Review of Hackney Carriage Taxi Table of Fares (Taxi Tariff)
Lead Member:	Councillor Sally Haydon (Cabinet Member for Community Safety, Libraries, Cemeteries & Crematoria)
Lead Strategic Director:	Ruth Harrell (Director of Public Health)
Author:	Graham Hooper
Contact Email:	graham.hooper@plymouth.gov.uk
Your Reference:	TAXILIC/GH/July23Tariff
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

For Members of the Committee to consider the review of the 'Taxi Table' of Fares (taxi tariff) and to determine whether to accept the proposal detailed in the following report and send the proposal out to consultation as set out in the prescribed process under Section 23 of the Plymouth City Council Act 1975.

Recommendations and Reasons

It is recommended that members consider the information contained in this report and

1. Approve, amend or reject if necessary, the proposed tariff set out in Appendix 3 to this report, as proposed by officers, for the reasons given in this report.
2. Resolve to authorise the advertising of the tariff set out in Appendix 3, as required by the Plymouth City Council Act 1975, and to allow the tariff to come into effect four weeks after the period allowed for objections should no objections be received.

Alternative options considered and rejected

1. As detailed above and the briefing report

Relevance to the Corporate Plan and/or the Plymouth Plan

This report links to the delivery of the Corporate Plan and Council priorities. In particular:

Fewer potholes, cleaner, greener streets and transport

A taxi fleet which is adequately rewarded encourages investment in newer, cleaner vehicles and encourages the taxi trade to maintain and develop an efficient and sustainable transport network in the City.

Keeping children, adults and communities safe

By ensuring the City has a well regulated and enforced taxi service provides reassurance to the public and will contribute to protect people from harm.

There are links to community safety in ensuring an adequate supply of properly licensed taxis as a safe mode of transport for the public, particularly when other public transport is unavailable. If taxi fares are set too high, then members of the public are less likely to use them.

Green investment, jobs, skills and better education

A taxi fleet which is adequately rewarded provides a good level of service for residents and local business assisting economic growth by providing new jobs in the City supporting development.

Implications for the Medium Term Financial Plan and Resource Implications:

None Identified.

Financial Risks

While there are costs associated with the review of the taxi tariff for example advertising and consultation this will be met through the existing taxi trade account. The cost of re-calibrating individual meters would be met by licensed drivers and operators, therefore there are no direct costs or financial risks to the Council by increasing the taxi tariff.

Carbon Footprint (Environmental) Implications:

There are no negative carbon footprint or other environmental implications resulting from amending/uplifting the taxi tariff. The proposed uplift should encourage members of the trade to invest in cleaner more efficient vehicles.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

An unreasonable increase in the level of fares could be a source of resentment amongst the travelling public. Equally an unreasonably low increase or no increase could be a source of resentment amongst the trade.

The provision of adequate, affordable taxi journeys is necessary to ensure the safety of children, young people and vulnerable adults.

There are no other implications to the Council identified by increasing the taxi tariff.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Briefing report title							
B	Equalities Impact Assessment (if applicable)							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Nicola Horne

Please confirm the Strategic Director(s) has agreed the report? Yes

By Email

Date agreed: 28/07/2023

Cabinet Member approval: Councillor Sally Haydon (Cabinet Member for Community Safety, Libraries, Cemeteries & Crematoria)

By Email

Date approved: 25/07/2023

Briefing Report

The report provides details of the review and proposed fare increase in relation to the setting of hackney carriage table of fares (tariff).

1.0 Background

- 1.1 The common term for hackney carriages is 'taxis' and this term is used throughout this report. A customer can flag down a taxi in the street or at taxi ranks without booking unlike private hire vehicles that must always be booked in advance of the journey.
- 1.2 Under section 23 (1) of the Plymouth City Council Act 1975 (PCCA 1975), the Council is responsible for setting the maximum fares and other costs that drivers may charge a customer for using taxis in the City. The Council does not have powers to set fares for journeys in private hire vehicles. Members should note that drivers may charge a lower fare or offer a discount if they wish and negotiate fares for travel outside of the City boundaries.
- 1.3 Taxi fares are made up of an initial hiring charge (flag fall) and a mileage rate, both of which are expressed in terms of distance and or time. This is because when a hired taxi is stationary or moving at less than 6mph in traffic the meter continues charging by time instead of distance. It can never charge both time and distance at the same time.
- 1.4 The tariff should be set to enable sustainable income for drivers, future investment in vehicles and to clearly set rates that minimise the opportunity for overcharging or confusion.
- 1.5 The tariff has to be displayed within all taxis to allow passengers to calculate the approximate cost of their journey. The PCCA 1975 requires taximeters to be fitted in every licensed vehicle. Once set, all drivers must display the maximum fare on their taximeter. This ensures consistency across all taxis and provides public confidence that the fare they are charged is correct.
- 1.6 In accordance with the statutory procedure set out in Section 23 of the PCCA 1975, the Council is required to undertake a public consultation prior to making any amendment to the tariff.

A notice must be published in at least one local newspaper circulating in the City setting out the variation and specifying the period, which cannot be less than 14 days from the date of the first publication of the notice, within which and the manner in which objections can be made.

If no objection to the variation of the tariff, or if all objections are withdrawn, the revised tariff will come into operation on the date of the expiration of the consultation period.

However, if any objections are made and not withdrawn, the Committee will consider the objections and set a further date, not later than two months after the first specified date, on which the tariff shall come into force with or without further modifications.

2.0 Reason for the Review

- 2.1 Taxi Licensing Sub Committee resolved on 13 January 2022, that officers review the tariff on an annual basis and that the timetable of the review was such that should a new tariff be agreed that it would come in to effect in September/October of the same municipal year.
- 2.2 The Secretary of the Plymouth Licensed Taxi Association (PLTA) also submitted by email proposals that there should be a small increase in the tariff to reflect the additional cost of living and to prevent a sudden larger increase in following years. (Appendix 1)
- 2.3 The tariff was last reviewed and agreed by Taxi Licensing Sub Committee on 1 September 2022 after consideration of the objections received and this came into effect on 19 September 2022. (Appendix 2).

Since this review and throughout the following year the Consumer Price Index (CPI), which represents inflation through the change in the cost of living, has remained high. The most recent information obtained from the Office of National Statistics shows that:

- The CPI rose by 8.7 % in the 12 months to May 2023, up from 7.0% in March.
- On a monthly basis, CPI rose by 0.6% in May 2023, compared with a rise of 0.6% in May 2022.

[Consumer price inflation, UK - Office for National Statistics](#)

- 2.4 The drivers of inflation such as energy, fuel, food and consumer goods along with the continuing impact on the economy from world events such as the Covid-19 pandemic and the 2nd year of the Ukraine conflict have continued to hit all business sectors hard, not least the taxi trade.

In addition, direct overheads, such as vehicle replacement, servicing and insurance are also significant cost factors for the trade. The general hospitality and evening and night time economy trade has opened up post pandemic and the taxi trade is experiencing a steady increase in users, however, what remains unclear and the same position since the last review, is the ongoing impact that the trade will experience financially moving forward in these uncertain times.

3.0 Proposed Changes

- 3.1 The proposed tariff is set out in Appendix 3.
- 3.2 During the 2021 tariff review, the tariff structure was reduced from five distinct time controlled tariffs to three. This structure has now been in place for 2 years and officers and trade representatives consider this to be clear, concise and the most user friendly structure to be applied to date. There are no plans to change the tariff structure in this review.
- 3.3 Calculations show that costs incurred in running a taxi in Plymouth have risen slightly since last year from £1.73 per mile to £1.74.

Under the current tariff 1, the running mile, which does not include the initial charge or any extras applied is set at £2.10 per mile.

Taking into account cost of living and inflation it is proposed to apply an average uplift to the 3 tariff structures of 10%.

The proposed uplift would see the running mile costs rise to £2.40.

- 3.4 To facilitate the proposed uplift across the full tariff structure, the mileage distance rate fractions will change to the following:

	Current	Proposed
Tariff 1	1/7	1/8
Tariff 2	1/8	1/9
Tariff 3	1/7	1/8

- 3.5 There will be no change to the flag fall (initial charge):

	Current	Proposed
Tariff 1	£3.60	£3.60
Tariff 2	£4.20	£4.20
Tariff 3	£7.20	£7.20

- 3.6 Mileage rates will remain as the existing tariff:

	Pence Per Fraction of a Mile
Tariff 1	£0.30
Tariff 2	£0.30
Tariff 3	£0.60

- 3.7 For members ease the table shown in Appendix 4 shows the current cost per part/full mile to the travelling public and the proposed costs should an average 10% (tariffs 1 & 3) and 9% (tariff 2) uplift be applied.

4.0 National and Regional Context

4.1 National Context

With regards to the national context, out of the 363 local authorities that regulate taxi fares, as at July 2023, Plymouth is currently ranked 64th at £7.80 for 2 miles along with nine other local authorities at that rate.

At the proposed £8.40 for 2 miles, Plymouth would be 22nd with 7 other local authorities at the same rate as shown in the following table.

This information is based on the Hackney Carriage 'league table' of all 363 Councils published on the Private Hire & Taxi Monthly trade magazine. This is the official publication of the National Private Hire & Taxi Association and is updated monthly.

[Hackney Taxi Fare Tables \(phtm.co.uk\)](http://phtm.co.uk)

Position	Local Authority	2 mile Fare
1	LONDON (HEATHROW)	£14.20
2	EPSOM & EWELL	£10.60
3	TFL	£10.60
4	GUILDFORD	£10.00
5	LUTON AIRPORT	£9.70
6	CARADON	£9.60
7	NORTH CORNWALL	£9.60
8	ST ALBANS	£9.15
9	MIDLOTHIAN	£8.80
10	SEVENOAKS	£8.70
11	WOKING	£8.70
12	READING	£8.60
13	WEST BERKSHIRE	£8.60
14	GREAT YARMOUTH	£8.50
15	CHELTENHAM	£8.40
16	EAST SUFFOLK (NORTH)	£8.40
17	EDINBURGH	£8.40
18	LEEDS	£8.40
19	MID SUSSEX	£8.40
20	TONBRIDGE & MALLING	£8.40
21	WATFORD	£8.40
22	PLYMOUTH	£8.40
23	HUNTINGDONSHIRE	£8.30
24	LINCOLN	£8.30
25	UTTLESFORD	£8.30

National Average: £6.89

4.2 Regional Context

When comparing the proposed uplift to other Devon local authorities and the neighbouring Cornwall Taxi Zones it can be seen that Plymouth would be 2nd in the regional rankings.

Local Authority	Proposed Tariff 1 (2 Miles)
Caradon Zone	£9.60
Plymouth C. C.	£8.40
Torrige (not exact mile)	£8.00
South Hams D. C.	£7.80
East Devon D. C.	£7.68
Torbay (not exact mile)	£7.51
Exeter C. C.	£7.50
North Devon D. C.	£7.30
Teignbridge B C (not exact mile)	£7.26
Mid Devon D. C.	£6.80
West Devon	unknown
Devon Average	£7.58

- 4.3 Members should take into consideration that when making comparisons with the above local authorities that only Plymouth operate a 100% wheelchair accessible vehicle taxi fleet and therefore the investment and running costs in vehicles that meet this specification is considerably more than a standard vehicle operated in the other areas.

5.0 **Extra Charges**

5.1 Fuel Escalation Surcharge

The fuel charge is an extra charge added to the fare according to the fluctuation of fuel costs outside the existing fare adjustment mechanism.

The fuel surcharge threshold is currently set for when fuel oil (diesel) reaches £1.80 per litre at Outland Road Service Station at which point 10p is added to the fare and with a further 10p for each subsequent increase of 10p per litre.

The price of diesel at the outland Road Service Station at the time this report (24/07/23) is £143.9 per litre. Therefore, no additional charge should be currently applied to each journey made.

- 5.2 All other extra charges were considered during the last tariff review. They are considered to still be valid and there are no proposals to uplift or make changes to these charges.

6.0 Future Investment

Through the Council's Sustainable Transport Agenda and to meet the Council's climate change objectives, one of the aims is to increase the provision of electric charging points across the City and to encourage taxi drivers to invest in electric vehicles. This is reflected in PCC's current [Hackney Carriage and Private Hire Licensing Policy 2022](#) and [Vehicle Emissions Policy](#) whereby all vehicles will need to meet the Government's ULEV criteria by 2030 and therefore drivers will need to start considering investment in new, cleaner and more efficient vehicles requiring substantial investment going forward. Maintaining a competitive tariff will assist drivers in future investment of these vehicles.

7.0 Conclusion

- 7.1 The provision of taxis are an important part of public safety, especially late at night when there are less bus routes in operation. Officers have considered the need to keep late night fares fair for both the drivers and the general public so that it remains affordable whilst high enough to encourage drivers to work at night.
- 7.2 A balance needs to be struck between the legitimate right of the trade to a viable livelihood and the needs of the travelling public. The cost of living crisis has hit the taxi trade hard most notably through the escalating vehicle purchase, maintenance and fuel costs. These costs are no longer absorbed through the existing tariff which was considered an interim tariff when set.
- 7.3 The proposed Tariff increase is in line with CPI and cost of living increases with an overall rise of 10% for the running mile and an average 10% increase across the tariffs 1 and 3 and 9% for tariff 2, dependent on the time of the day and length of journey made.
- 7.4 It is considered that the proposed uplift will assist those taxi drivers licensed through the Council to face the significant cost of living rises and support Plymouth's taxi trade to make a viable living, therefore reducing the number of drivers leaving the trade for better remunerated work and encouraging consideration of investment in newer environmentally friendly vehicles.

8.0 Recommendations

- 8.1 That Members of the Committee consider the information contained in this report and determine whether to adopt an increase the current tariff of fares. Members can either:
- i Approve changes to the tariff as proposed in Appendix 3.
 - ii Approve the changes to the tariff with amendments.
 - iii Refuse the proposed changes.
- 8.2 That, should Members agree to the increase, with or without amendments, they resolve to authorise the advertising of the tariff. If no objections are received then it should come into effect after the period allowed for objections.

Appendix I

Email from Plymouth Licensed Taxi Association Requesting Tariff Increase

From:.....
Sent: 20 March 2023 10:41
To: Hooper, Graham
Cc:.....
Subject: Various

Good Morning Mr. Hooper,

Following the Taxi Licensing Committee. The PCC Taxi Trade Meeting and the PLTA Monthly Meeting:

Tariff: taken from our Minutes:

It was agreed that there should be a small increase in the tariff to reflect the additional cost of living and to prevent a sudden larger increase in following years.

It was suggested that the current Flagfall is retained but to reduce the current day-time rate from 1/7th of a mile to 1/8th of a mile and to reduce the Night-time rate from 1/8th of a mile to 1/9th of a mile. This would increase day and night rates by £0.30p per mile giving £2.40 per mile during the day and £2.70 per mile during the night.


It was agreed to send this suggestion to all E-Mail addressees to seek the reaction of the Trade pointing out that it will take until September for the LA to alter the tariff.

The above will be sent to my E-Mail contactees and we will see what results.

Yours, RWH

Appendix 2

Current Table of Fares (Tariff)

HACKNEY CARRIAGE TABLE OF FARES			
Made by virtue of Section 23 of the Plymouth City Council Act 1975			
The driver must not refuse, without reasonable excuse, to take a hirer or would be hirer to any place within the licensing district, Section 53, Town and Police Clauses Act 1847.			
Applies to ALL journeys within the City boundary, and to journeys outside the City boundary unless agreed otherwise between driver and hirer, PRIOR to the hiring being commenced. Fares detailed below are the MAXIMUM fares that may be charged. Hiring's may be undertaken without the use of the meter where there is a prior contract with a public authority or for a period in excess of one hour. No other charges may be made.			
Tariff 1 Applies on Monday to Saturday from 6am to 7pm			
Tariff 2 Applies Monday to Saturday from 7pm to 6am, Sundays/Bank Holidays from 6am to 6am the following day			
Tariff 3 Applies from 7pm Christmas Eve to 6am 27 December and from 7pm 31 December to 6am 1 January			
Distance	Tariff one	Tariff two	Tariff three
For any distance up to one seventh of a mile	£3.60	-	£7.20
For any distance up to one eighth of a mile	-	£4.20	-
For each subsequent seventh of a mile or part thereof	30p	-	60p
For each subsequent eighth of a mile or part thereof	-	30p	-
Waiting time	Tariff one	Tariff two	Tariff three
For each completed period of 60 seconds	-	30p	-
For each completed period of 90 seconds	30p	-	60p
Extra charges			
Each additional passenger after the second (accompanied children under the age of 3 are not charged, two children between 3 and 12 to be charged as one)	20p		
Entrance to MOD establishments, booking fee, or from Plymouth Railway Station (subject to permit)	50p		
For each uncaged animal except guide, hearing or other assistance dogs	50p		
In the event of extra public holidays being announced within the life of this tariff, the tariff stands with an additional charge to be added to the meter for each hiring on the new public holiday.	50p		
Fuel - to be added to each hiring if and when fuel oil is £1.80 per litre at Home Park Service Station (Outland Road) with a further 10p for each subsequent increase of 10p per litre	10p		
For any soiling of the vehicle, inside or out	Up to £100		
Toll charges at current rate for return journey			
Effective from 19 September 2022			

Appendix 3

Proposed Table of Fares (Tariff)

HACKNEY CARRIAGE TABLE OF FARES



Made by virtue of Section 23 of the Plymouth City Council Act 1975

The driver must not refuse, without reasonable excuse, to take a hirer or would be hirer to any place within the licensing district, Section 53, Town and Police Clauses Act 1847.

Applies to **ALL** journeys within the City boundary, and to journeys outside the City boundary unless agreed otherwise between driver and hirer, **PRIOR** to the hiring being commenced. Fares detailed below are the **MAXIMUM** fares that may be charged. Hiring's may be undertaken without the use of the meter where there is a prior contract with a public authority or for a period in excess of one hour. No other charges may be made.

Tariff 1 Applies Monday to Saturday from 6am to 7pm

Tariff 2 Applies Monday to Saturday from 7pm to 6am, Sundays/Bank Holidays from 6am to 6am the following day

Tariff 3 Applies from 7pm Christmas Eve to 6am 27 December and from 7pm 31 December to 6am 1 January

Distance	Tariff 1	Tariff 2	Tariff 3
For any distance up to 1/8 th of a mile	£3.60	-	7.20
For any distance up to 1/9 th of a mile	-	£4.20	-
For each subsequent 1/8 th of a mile or part thereof	30p	-	60p
For each subsequent 1/9 th of a mile or part thereof	-	30p	-

Waiting Time	Tariff 1	Tariff 2	Tariff 3
For each completed period of 60 seconds		30p	
For each completed period of 90 seconds	30p		60p

Extra Charges	
Each additional passenger after the second (accompanied children under the age of 3 are not charged, two children between 3 & 12 to be charged as one).	20p
Entrance to MOD establishments, booking fee, or from Plymouth Railway Station (subject to permit).	50p
For each uncaged animal except guide, hearing or other assistance dogs.	50p
In the event of extra public holidays being announced within the life of this tariff, the tariff stands with an additional charge to be added to the meter for each hiring on the new public holiday.	50p
Fuel - to be added to each hiring if and when fuel oil is £1.80 per litre at Home Park Service Station (Outland Road) with a further 10p for each subsequent increase of 10p per litre.	10p
For any soiling of a vehicle, inside or out.	Up to £100.00
Toll charges incurred at current rate for return journey.	

Effective from Date: TBC 2023

Appendix 4

Please note, the figures do not take into account waiting time or any extras that maybe charged.

Journey (Miles)	Tariff 1				Tariff 2				Tariff 3			
	Current	Proposed	% Increase	Difference	Current	Proposed	% Increase	Difference	Current	Proposed	% Increase	Difference
1	£5.70	£6.00	5%	£0.30	£6.60	£6.90	5%	£0.30	£11.40	£12.00	5%	£0.60
2	£7.80	£8.40	8%	£0.60	£9.00	£9.60	7%	£0.60	£15.60	£16.80	8%	£1.20
3	£9.90	£10.80	9%	£0.90	£11.40	£12.30	8%	£0.90	£19.80	£21.60	9%	£1.80
4	£12.00	£13.20	10%	£1.20	£13.80	£15.00	9%	£1.20	£24.00	£26.40	10%	£2.40
5	£14.10	£15.60	11%	£1.50	£16.20	£17.70	9%	£1.50	£28.20	£31.20	11%	£3.00
6	£16.20	£18.00	11%	£1.80	£18.60	£20.40	10%	£1.80	£32.40	£36.00	11%	£3.60
7	£18.30	£20.40	11%	£2.10	£21.00	£23.10	10%	£2.10	£36.60	£40.80	11%	£4.20
8	£20.40	£22.80	12%	£2.40	£23.40	£25.80	10%	£2.40	£40.80	£45.60	12%	£4.80
9	£22.50	£25.20	12%	£2.70	£25.80	£28.50	10%	£2.70	£45.00	£50.40	12%	£5.40
10	£24.60	£27.60	12%	£3.00	£28.20	£31.20	11%	£3.00	£49.20	£55.20	12%	£6.00
Average % Increase			10%	£1.65			9%	£1.65			10%	£3.30