

Report to: Licensing and Enforcement Committee

Date of Meeting: 5th February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release: N/A



Hackney carriage fare setting procedure update

Report summary:

The purpose of this report is to provide a progress update following the Licensing & Enforcement Committee's resolution, on the 13th November 2024, to authorise a review of the procedure used to calculate hackney carriage fares in the district.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That the Licensing & Enforcement Committee note the contents of the report.

Reason for recommendation:

The purpose of the report is to provide a progress update only and no decisions need to be taken at this stage.

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Portfolio(s) (check which apply):

- ☐ Climate Action and Emergency Response
- ☒ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☐ Communications and Democracy
- ☐ Economy
- ☐ Finance and Assets
- ☐ Strategic Planning
- ☐ Sustainable Homes and Communities
- ☐ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk

Links to background information:

Hackney carriage fare consultation survey: <https://taxifareconsultation.commonplace.is/>

Department for Transport's Taxi and Private Hire Vehicle Licensing Best Practice Guidance: [Taxi and private hire vehicle licensing best practice guidance for licensing authorities in England - GOV.UK](https://www.gov.uk/guidance/taxi-and-private-hire-vehicle-licensing-best-practice-guidance)

Legislation relating to fixing of fares for hackney carriages: [Local Government \(Miscellaneous Provisions\) Act 1976](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☐ A supported and engaged community
 - ☐ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☐ Financially secure and improving quality of services
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Report in full

Background

At a meeting held on the 13th November 2024, the Licensing & Enforcement Committee resolved to authorise a review of the procedure used to calculate hackney carriage fare tariffs and charges in the district, based upon a methodology and fare setting calculator developed by Guildford Borough Council and adjusted for local considerations.

The Committee also authorised the launch of a 10-week consultation with the taxi trade, in order to ask all East Devon hackney carriage drivers and proprietors to participate in the setting of suitable average figures for annual mileage and vehicle running costs in the district, for inclusion within the draft procedure.

The purpose of this report is to update the Committee on the progress made since that meeting. A more substantive report will be provided once the consultation has ended, and the responses have been analysed.

Consultation launch

After the meeting on the 13th November 2024, the Licensing Team began the work required to draft the consultation survey. This included calculating estimated figures for each of the salary, mileage and cost factors involved in running a taxi in East Devon.

These calculations were undertaken using the methodology set out in Guildford Borough Council's procedure, adjusted to account for both local considerations and current prices, using data from East Devon District Council records, national statistics, and other appropriate information sources. This included the AA's Motoring Costs Report from July 2014 adjusted for inflation using the ONS RPI Motoring Expenditure Costs Index.

Once the estimated figures had been calculated, the Licensing Team worked with the Council's Communications Team to create the online survey consultation, and this was published on the **7th January 2025**. A link to the survey was sent by email to all East Devon hackney carriage drivers and proprietors on the **8th January 2025**.

The live survey consultation can be viewed here: <https://taxifareconsultation.commonplace.is/>.

The “process and intention” section of the survey explains why the Council are looking to draft a fare setting procedure and sets out the methodology involved.

The “taxi fare calculation questions” section then lists all salary, mileage and cost factors included within Guildford’s methodology (and some additional factors which have been identified as relevant to East Devon) and contains, where possible, an estimated figure for each factor together with information about how this has been calculated.

The survey asks respondents to comment on:

- whether they agree with these figures and how they have been calculated
- whether a cost factor should be included or excluded and
- if there are any other costs that haven’t been listed

It also asks for general comments and views on the existing East Devon fare tariff and additional charges.

Taxi liaison meeting

On the 15th January 2025 a taxi liaison meeting was held at East Devon District Council's offices at Blackdown House, Honiton and all hackney carriage drivers and proprietors were invited to attend. An initial invite was sent out by email on the 20th December 2024 and a further invitation was sent out, with the link to the survey, on the 8th January 2025.

The meeting was chaired by the Vice Chair of the Licensing & Enforcement Committee and was attended by the Licensing Manager, Licensing Officer and Democratic Services Officer.

9 members of the taxi trade attended the taxi liaison meeting, including members of the East Devon Taxi Trade Association. An additional 5 members of the taxi trade sent their apologies, 1 acknowledged receipt of the email, and the remaining 120 licence holders gave no response.

At the meeting, the Licensing Officer gave a presentation on the hackney carriage fare setting procedure, and explained why East Devon District Council were looking to put this in place and the process involved in doing so. The Licensing Officer gave a demonstration of the online consultation survey, and explained how to complete the questionnaire and outlined the information the Council was looking to gather.

The Licensing Officer gave an update on the timescales involved and reminded the attendees that the closing date for the survey was the **18th March 2025** and, that following this deadline, the results would be analysed and a further report taken to the Licensing & Enforcement Committee for the responses to be considered and the next steps determined.

The attendees were advised that it was likely there would be need for a further consultation once the draft procedure was agreed, and before it could be given final approval and any subsequent fare tariff amendment considered.

The Vice Chair of the Licensing & Enforcement Committee ended the meeting by reminding the attendees how important it was for the taxi trade to participate fully in the consultation and complete the survey, so that Members could ensure the trade's opinions and feedback were fully considered.

A copy of the minutes of the taxi liaison meeting can be found at **APPENDIX A** of this report.

The general feedback from the attendees was as follows:

- The reasons for having a hackney carriage fare setting procedure in place were recognised and the attendees were pleased that this would give scope for an annual fare review going forward.
- There were mixed views about whether a fare rise was necessary at this time. Some of the attendees felt that a further fare rise was necessary, and others felt that the amended fare tariffs introduced in June 2024 went far enough and did not need reviewing for another year or two.
- The general feeling was that it would be very difficult to estimate average figures that were suitable for all drivers and all areas of the district and the attendees highlighted how:
 - Driver's annual mileage figures would vary dramatically.
 - Different drivers worked, and were paid, in very different ways (some drivers are self-employed owner-drivers, some work for a vehicle proprietor on a self-employed basis and some drivers are employed by taxi companies).
 - Vehicle proprietors financed their vehicles in various different ways.
 - Vehicle running costs varied depending on many different factors. Examples given included: how the age of the driver could affect insurance premiums and how the make, model and size/engine capacity of the vehicle could affect the cost of parts and labour, vehicle tax etc.
- There were concerns about not having a booking fee included in the tariff charges and the consensus was that the booking fee should remain due to the diverse and rural nature of the district.

Next steps

At the time of publication of this report, no responses to the survey have been received.

Following the end of the consultation period, on the 18th March 2025, Officers will look to bring a further report to the Licensing & Enforcement Committee setting out the results of the survey consultation and attaching a first draft of the hackney carriage fare setting procedure.

The Licensing & Enforcement Committee are asked to note that, while Officers aim to bring this report to the meeting scheduled for the 2nd April 2025, the timescales for this are very tight as there is only 1 week between the end of the consultation period and the date of publication of the Committee agenda and reports. It may therefore be necessary to delay the meeting or hold a further extraordinary meeting to consider the report, if the work required cannot be completed in time.

The Committee are also asked to note that the recommendation at that time will be for a further consultation to be carried out, once the draft hackney carriage fare procedure has been agreed and before any amended tariff is considered, to enable the taxi trade and interested members of the public to view the draft procedure and give comments and feedback.

Financial implications:

There are no financial implications contained within the report at this stage of the process.

Legal implications:

The report is for noting on progress with the project and requires no legal comment.