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Hackney Carriage Fare Tariff Review 2025

Report summary:

On the 16th July 2025 the Licensing & Enforcement Committee determined to exercise the Council's powers under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 and approved moving to public consultation on a proposed variation to the East Devon hackney carriage fare tariff. Valid objections were received during the public notice period and the Licensing & Enforcement Committee are now asked to consider the objections and determine whether it is necessary to make any modifications to the proposed hackney carriage fare tariff before setting a specific date, not later than two months after the first specified date, on which the table of fares shall come into force.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That the Licensing & Enforcement Committee give consideration to the objections received against the proposed variation to the hackney carriage fare tariff table and exercise the Council's powers under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 to 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.

Reason for recommendation:

To enable the taxi trade within East Devon to continue to operate economically whilst still maintaining an efficient, safe and cost-effective service for service users.

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Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☐ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☐ Environment - Nature and Climate
- ☒ Environment - Operational
- ☐ Finance
- ☐ Place, Infrastructure and Strategic Planning

☐ Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk

Links to background information:

1. [Local Government \(Miscellaneous Provisions\) Act 1976 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1976/69/section/65)
2. [Taxi and private hire vehicle licensing best practice guidance for licensing authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/taxi-and-private-hire-vehicle-licensing-best-practice-guidance-for-licensing-authorities-in-england)
3. [\(Public Pack\)Agenda Document for Licensing and Enforcement Committee, 16/07/2025 10:00](#)
4. [Printed minutes 16th-Jul-2025 10.00 Licensing and Enforcement Committee.pdf](#)
5. <https://www.phtm.co.uk/taxi-fares-league-tables>

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

Report in full

1. Background

- 1.1. At a meeting on the 16th July 2025 the Licensing & Enforcement Committee determined to exercise the Council's powers under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 and approved moving to public consultation on a proposed new hackney carriage fare tariff table for East Devon. A copy of the report and minutes from that meeting can be viewed in the links to background information section of this report.
- 1.2. The proposed fare tariff table can be viewed at **APPENDIX A** and was chosen from a range of options available. The variation gave effect to a fare rise of approximately 2% across all three tariffs.
- 1.3. Following this decision, notice of the proposal to amend the fare tariff table was published in two local newspapers (the Exmouth Journal and Midweek Herald) on Wednesday 30th July 2025 and a copy of the public notice was displayed at the Council's offices, in both Honiton and Exmouth, from the same date.
- 1.4. The notices set out the proposed fare tariff and gave details of the manner in which objections could be made. The last date for objections to be made was, no later than, midnight on Wednesday 13th August 2025. A copy of the public notice can be viewed at **APPENDIX B**.

- 1.5. In addition to these statutory notice requirements, the Licensing Team also published a copy of the public notice on the Council's website and advised all East Devon hackney carriage drivers and proprietors of the proposed variation during the notice period by email (dated 30th July 2025 and 6th August 2025).

2. Objections received

- 2.1. Had no objections been received during the statutory public notice period, the new East Devon hackney carriage fare tariff would have come into immediate effect after the expiry of the objection period, on Thursday 14th August 2025.
- 2.2. However, a total of **six** objections to the proposed new fare tariff were received within the notice period and the objections now require consideration by the Licensing & Enforcement Committee.
- 2.3. All of the objections were made by members of the East Devon taxi trade. **Five** of the objections received were not in favour of any increase or change being made to the fare tariff and **one** objector felt that the proposed fare increase was insufficient.
- 2.4. A copy of all objections received can be found at **APPENDIX C** of this report and these must be considered when determining whether any modifications are required to the revised table of fares.

3. Guidance on the setting of fares

- 3.1. The Department for Transport have issued revised "Taxi and Private Hire Vehicle Licensing Best Practice Guidance for Licensing Authorities in England". This guidance states the following in relation to the setting of taxi fares:

Maximum fare rates should be designed with a view to practicality and reviewed regularly, including any variability of the fare rates dependent on time of day or day of the week. Authorities should consider adopting a simple formula for deciding on fare changes as this will increase understanding and improve the transparency of the process for passengers. The Department recommends that in reviewing fare rates, authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers the ability to earn a sufficient income and so incentivise them to provide a service when it is needed. There is likely to be a case for higher fare tariffs at times of higher demand to encourage more drivers to make themselves available or when the journeys are required at anti-social times.

To ensure that taxi tariffs reflect the costs of the trade they should be reviewed following significant changes in licensing fees and other major costs such as fuel. Regular reviews will assist drivers in maintaining their earnings and so continue to attract those seeking to become taxi drivers and provide existing licensed drivers with greater confidence to remain in the trade and plan for future investment in new vehicles.

Regular reviews will also avoid large changes in fares for passengers that infrequent reviews are more likely to result in.

The Competition and Markets Authority recognised in its 2017 report the need for licensing authorities to be responsive to patterns of demand, that they:

“should monitor waiting times and consider adjusting the regulated fare cap to address mismatches between supply and demand. Addressing such mismatches is likely to benefit passengers”.

(Source: Taxi and Private Hire Vehicle Licensing Best Practice Guidance for Licensing Authorities in England)

- 3.2. As stated in that guidance, when considering a suitable table of maximum fares Committee members should pay particular regard to the needs of the travelling public and to what it is reasonable to expect people to pay whilst also balancing the need to give taxi drivers the ability to earn a sufficient income and so incentivise them to provide a service when it is needed.
- 3.3. It is recognised that raising the cost of fares too greatly may adversely impact the ability of vulnerable users to be able to afford this essential service and the setting of fares is therefore a balancing act, with competing factors that need to be taken into consideration.
- 3.4. For the purposes of determining a balanced and appropriate fare tariff, the Department for Transport’s guidance suggests that authorities should consider adopting a simple formula for deciding on fare changes and the Committee has previously resolved to give further consideration to the implementation of a formula based fare setting procedure in 2026.
- 3.5. In the meantime, the Committee must endeavour to ensure that the East Devon hackney carriage fare tariff is set at a rate that gives particular regard to the needs of the travelling public and vulnerable users while allowing taxi drivers the ability to earn a sufficient income.

4. Fare Setting Process and Legislative Considerations

- 4.1. The process for setting and revising hackney carriage fares is set out in the Local Government (Miscellaneous Provisions) Act 1976 and must be undertaken before a revised table of maximum fares can be brought into effect.
- 4.2. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows the Council to set the maximum costs and fares that drivers may charge the public for journeys taken in a taxi and states that:

65 Fixing of fares for hackney carriages.

(1) 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.

(2)

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 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) If no objection to the table of fares or variation is duly made within the period specified in the notice referred to in subsection (2) of this section, 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 is the later.

(4) If objection is duly made as aforesaid and is not withdrawn, the district council shall 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.

(5) A table of fares made or varied under this section shall have effect for the purposes of the Act of 1847 as if it were included in hackney carriage byelaws made thereunder.

(6) On the coming into operation of a table of fares made by a council under this section for the district, any hackney carriage byelaws fixing the rates and fares or any table of fares previously made under this section for the district, as the case may be, shall cease to have effect.

(7) Section 236(8) (except the words “when confirmed”) and section 238 of the Local Government Act 1972 (except paragraphs (c) and (d) of that section) shall extend and apply to a table of fares made or varied under this section by a district council in England as they apply to byelaws made by a district council in England.

4.3. As objections were made during the public notice period and have not subsequently been withdrawn, the provisions of Section 65(4) will apply and the district council must set a further date, not later than two months after the first specified date (the 13th August 2025) on which the table of fares shall come into force with or without modifications. This date should be set after the Committee has given full consideration to all objections made and determined whether any modifications are necessary.

5. Appeal

- 5.1. The statutory process for fare setting is outlined above including statutory timescales applicable. There is no standard appeal procedure and as such the process outlined above may only be challenged by Judicial Review.

6. Recommendations

- 6.1. Section 65(4) of the Local Government (Miscellaneous Provisions) Act 1976 states that if objections are duly made to the variation of a hackney carriage fare table, and are not withdrawn, the district council shall consider the objections received and then 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.
- 6.2. The Licensing & Enforcement Committee are therefore asked to consider the objections received (as set out at **APPENDIX C**) and determine whether any modifications to the varied hackney carriage table of fares, previously agreed on the 16th July 2025, are necessary.
- 6.3. When considering the objections, the Committee will note that the majority of objectors considered the proposed fare increase to be too high and were not in favour of any change being made to the existing table of fares that came into effect on the 18th June 2024. The Committee may therefore wish to consider modifying the proposed table of fares to revert back to the existing table of fares currently in force. The existing table of fares is set out at **APPENDIX D** of this report.
- 6.4. Alternatively, the Committee will also note that while all East Devon hackney carriage drivers and proprietors were notified about the public notice and proposed fare increase, only 6 objections (from approximately 135 hackney drivers/proprietors) were received. In addition, no objections were received from members of the public. The Committee may therefore consider that no modifications to the proposed table of fares are necessary and to proceed with the fare increase.
- 6.5. The Committee are also asked to note that two objectors referred to the extra soiling charge in the proposed table of maximum fares within their objection and expressed the opinion that this charge is too low to reflect the current costs of valeting a vehicle. If the Committee was minded proceed with setting a new table of fares, they may wish to consider an increase to the extra soiling charge only. It is recommended that this is set at no more than £100.
- 6.6. It is not recommended that the Licensing & Enforcement Committee agree any alternative modifications to those set out above because:
 - 6.6.1. it is necessary to ensure that any fare tariff agreed is workable and that any modifications made can be calibrated by the meter fitters

- 6.6.2. there is no provision in the legislation for further public notices and therefore it is not considered suitable to agree a different tariff that has not been the subject of public consultation
- 6.6.3. while the majority of objectors have suggested the fare increase is too high, it would not be practical to agree a new table of fares that gave an increase of less than 2% as this would have an almost negligible effect on the fare tariff and may not outweigh the time and effort required to recalibrate the taximeters
- 6.6.4. while one objector has suggested that the fare increase is too low, it is not recommended that any modifications are made to increase the proposed table of fares further without additional public consultation with the travelling public and vulnerable users. If the Committee were minded to increase the fare tariff further, they are reminded that they have already resolved to review the table of fares again in six to twelve months' time and this could be considered at that time.
- 6.7. When considering a date for the new proposed table of fares to come into effect, the Licensing & Enforcement Committee is advised that this must be not later than two months after the first specified date.
- 6.8. The first specified date was the 13th August 2025, being the last date for objections to be made against the hackney carriage fare tariff, and the table of fares must therefore come into force no later than two months after this date. It is therefore recommended that the Licensing & Enforcement Committee agree a date of Friday 10th October 2025 for the amended fare tariff to come into force, either with or without modifications.

7. Conclusion

- 7.1. As objections have been duly made within the public notice period and 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.
- 7.2. The Committee are therefore asked to consider the objections that have been received and determine whether to:
 - 7.2.1. Set a date of the 10th October 2025 for the new proposed hackney carriage table of fares to come into force, as published on the 30th July 2025 with no modifications.
 - 7.2.2. Set a date of the 10th October 2025 for the new proposed hackney carriage table of fares to come into force, as published on the 30th July 2025, with a modification to the extra soiling charge only.
 - 7.2.3. With immediate effect, modify the proposed table of fares to revert back to the existing table of fares that has been in force since the 18th June 2024.
- 7.3. The Committee are reminded that they have previously resolved to give further consideration to the implementation of a formula based fare setting procedure in 2026

and a further review of the tariff can be made in six to twelve months' time based on economic considerations at that time.

Financial implications:

There are no financial implications other than officer time involved. Were the decision to be subject to Judicial Review, there may be a possibility of court costs.

Legal implications:

The legal framework is set out within the report and requires no further comment.