



Report Reference Number: E/22/5

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**To:** Executive  
**Date:** 26 May 2022  
**Status:** Non Key Decision  
**Ward(s) Affected:** Whole District  
**Lead Executive Member:** Councillor Grogan, Lead Member for Health & Culture  
**Author:** Sharon Cousins, Licensing Manager  
**Lead Officer:** Drew Fussey, Operational Service Manager

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**Title: Local Government (Miscellaneous Provisions) Act 1976, Section 65 – increase of Hackney Carriage Maximum Fares (Fuel Cap)**

### Summary:

The purpose of this report is to seek authority to carry out an informal consultation with the Hackney Carriage Trade (HC), on a proposed maximum fare charge, prior to a full consultation being carried out, after the consultation responses have been considered.

### Recommendation:

**To authorise an informal consultation on the proposed taxi fare increase (fare cap), in line with the increased proposal for Harrogate, which will comply with harmonising fares in North Yorkshire ready for Local Government reorganisation (LGR).**

### Reasons for recommendation

With unprecedented rising fuel costs on the forecourt, and the need to align the taxi fares with the other districts within North Yorkshire under Local Government reorganisation. This proposal is effectively a fuel cap, providing the driver with the flexibility to increase or decrease fares (so long as below the price cap) while the cost of fuel is on the increase, whilst still being able to offer their customers a fair price, according to the price of fuel at the time of the journey.

## 1. Introduction and background

1.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”) provides that a district council may fix the maximum rate of fares within the district and all other charges in connection with the hire of a HC vehicle; this is done by means of a table which is to be referred to as “the

table of fares”. Private Hire vehicles can set their own fares and are therefore not the subject of this report.

**1.2** Any changes to the table of fares must be decided by the Executive Committee and published in accordance with Section 65 for a period of not less than fourteen days to allow for objections to be made. If any objections are received within the period allowed, and not withdrawn, then the District Council must set a further date not later than two months after the first specified date for the table of fares to come into effect with or without modifications as described by them.

**1.3** The process will begin with an informal consultation with the HC trade (this is not a statutory requirement, but section 1.2 above is), to gauge the response for the proposal to harmonise HC fares with Harrogate. This is in line with the work with other authorities in North Yorkshire under Local Government Reorganisation and plan to harmonise fares were possible prior to the April 2023.

## **2. The Request**

**2.1** Three requests have been made to the Licensing Authority asking to consider a fare increase due to rising fuel costs, this is likely to continue for the foreseeable future.

**2.2** The last fare increase took effect on the 1 April 2019.

**2.3** Local Government reorganisation, between all the current 7 North Yorkshire Districts takes place on the 1 April 2023. Works streams are already working on how each area of the Council will function from vesting day and beyond. The aim is to harmonise where possible prior to the vesting day to create the one North Yorkshire Council. Harrogate has the highest fare cap at present and has just reviewed their fares to take on board the increase in fuel prices currently.

**2.4** The full proposal can be seen in the proposed informal consultation document (Appendix A) and is in line with Harrogate’s current maximum Hackney Carriage Fare review, and as such has taken on board the rise in fuel costs currently.

**2.5** For comparison below is a table which shows the different fees across other North Yorkshire councils who are undergoing Local Government reorganisation. The comparison is for a 2 miles journey

Harrogate BC	£7.00
Scarborough BC	£6.60
Selby DC	£6.06
Ryedale DC	£6.00
Richmondshire DC	£5.60
Hambleton DC	£5.50
Craven DC	£5.30

**2.6** Prior to the Statutory requirement of reviewing fares, as shown in section 1.2 of the report above, officers are seeking permission from the Executive to carry out an informal consultation for 2 weeks, to be carried out with the HC trade, to gauge their responses to the proposal

**2.7** Once the consultation period has ended and the responses reviewed, a report will go before the Executive again with the final HC maximum fare proposal, seeking authority to agree the proposal increase and move to the statutory requirements shown in section 1.2 of the report.

### **3. Implications**

#### **3.1 Legal Implications**

The Council has the power under the provisions of section 65 of the Act, to make a variation to the table of fares in connection with the hire of a Hackney Carriage.

Section 65 requires the variation to the fares to be advertised in a local newspaper for a period of notice of at least 14 days to allow for objections against the proposal.

Any objections received will have to be considered in line with the Act. If no objections are received or are withdrawn, the fares will be implemented.

#### **3.2 Financial Implications**

**3.3** The public would have an increase in fare costs. Hackney Carriages have the option to agree a lower fare than the approved fare costs, which is effectively a fuel cap, but not charge a higher rate.

**3.4** The HC current maximum rate was set in 2019, since then fuel prices have risen considerably and look to remain high for the foreseeable future.

#### **3.5 Policy and Risk Implications**

There are no policy or risk implications

### **4. Conclusion**

**4.1** Members are asked to authorise an informal consultation with the HC trade prior to a full consultation being carried out.

### **5. Background Documents**

N/A

**6. Appendices**

Appendix A – Proposed HC Informal Consultation Document

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