

**LICENSING COMMITTEE  
16 JANUARY 2024**

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**VARIATION TO HACKNEY CARRIAGE FARES**

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**Purpose of the Report**

1. The purpose of this report is for Members to consider an application to revise the tariffs levied in respect of hackney carriage fares.

**Information and Analysis**

2. Section 65 of The Local Government (Miscellaneous Provisions) Act 1976 provides for a District Council to fix the rates of fares for Hackney Carriage Vehicles (HCV). It may fix the fares on time as well as distance and any other charges that may be made in connection with the hiring of the vehicle. The relevant section is reproduced in full at **Appendix 1**.
3. A formal request for an increase in tariffs has been made by the trade. Following consultation three options for potential changes were proposed by representatives of the trade. A fourth option is that the tariffs remain unchanged.
4. A separate option for those proprietors owning vehicles that are allowed to carry 5 or more passengers was provided following a request from some of these owners who cited their higher running costs. Please note that this tariff will only apply when the vehicle is carrying 5 or more passengers.
5. Darlington Borough Council have **134** licensed HCV's and these are owned between **106** proprietors, who were all sent a letter outlining this request with the choice of tariffs (**Appendix 2**). This represents a **100%** sample rate and there were **24** replies to this letter, which is a **22.6%** response rate. Typical response rates for postal surveys are between **30%** and **40%** with a high response rate generally indicating high levels of motivation, or demonstrating a strong feeling about a particular subject matter.
6. The last increase in hackney carriage tariffs took place in May 2022

**Options**

7. Responses from the trade have been collated in relation to the following options presented at **Appendix 3** and are as follows :

Option 1 – tariffs to remain unchanged - **3**

Option 2 – Increase in first 1760 yards and time - **7**

Option 3 – Increase in first 1760 yards and time - **12**

Option 4 – Amendment to additional yards and time – 2

Option 5 – Additional for those vehicles carrying 5 or more passengers – 6

8. 21 out of the 24 responses indicated that they would like to see a tariff increase, which represents 87.5% of those respondents. Option 3 was the most favoured, representing 50% of those who responded and is 11.3% of proprietors.
9. Options 3, 4 and 5 also requested to add an 'extra' button. This is to add an extra amount to the meter for drop off charges at airports for example. The proposal from Licensing is £1.00 per press of the extra button, with a maximum of £5.00, which is in-line with other North East Local Authorities.
10. Additionally, out of the 13 vehicles licensed to carry 5 or more passengers, there were 6 responses for this option, which represents 46.2% of respondents.
11. In light of these responses, Members must decide whether to approve any change in the current tariffs or for them to remain unchanged. If a change is to be made, Members must decide upon one of the three options available. Separate consideration should be given to Option 5.
12. When considering this issue, the impact of any increase in tariffs must reflect a balance between allowing licensed drivers to generate a reasonable income, whilst representing value for money for the travelling public.
13. To enable Members to consider the alternative tariffs proposed in this report, tariff's from each of the Tees Valley local authorities have been produced at **Appendix 3**. It is however difficult to draw direct comparisons as there are a number of variables to consider within each tariff and how they are calculated.
14. As a straight forward comparison, a table of fares has been prepared using data from taxi trade magazine Private Hire Monthly with comparative fares for a 2 mile daytime journey for each of the 12 north-east local authorities (Tees Valley authorities have been highlighted). This table also provides their national position, however it must be noted that some local authorities may have the same fares, but given sequential positions (**Appendix 4**).
15. Members will be aware that any tariff set is the maximum that can be charged for a fare. Hackney carriage proprietors are perfectly at liberty to charge less than the metered fare and it is common practise for some to do this in Darlington.

### **Statutory Consultation Requirement**

16. If Members are minded to approve any proposal to increase the tariffs, that decision will be subject to statutory consultation by way of an advertisement in a local newspaper, when a 14 day consultation period will commence. In the event of objections as a result of the

statutory consultation there is a requirement for these to be considered by Cabinet and a further implementation date will be set.

17. The proposed increase in tariffs applies only to hackney carriages, as licensing authorities have no power to set fares for private hire vehicles.
18. Members of the trade have been invited to attend this meeting.

### **Recommendations**

If Members are minded to approve the proposal to increase the tariff they must decide which option that will be and this will be subject to the statutory advertising.

**Dave Winstanley**  
**Services Group**

### **Background Papers**

- 1 Local Government (Miscellaneous Provisions) Act 1976
- 2 Local Government Act 1972

### **Appendices**

- 1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976
- 2 Letter to trade member with options
- 3 Comparison table of neighbouring authorities tariffs
- 4 Comparison table of NE local authorities for a 2 mile journey

## THE LEGISLATION

### Section 65 of the Local Government (Miscellaneous Provisions) Act 1976

- (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 the 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 14 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.
- (2)(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 a 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 date 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 there under.
- (6) On the coming into operation of the table of fares made by a Council under this section for the District, any hackney carriage byelaws fixing 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.

## Appendix 2

Dear Member of the Trade

### Re: Taxi Tariff Increase

Darlington Borough Council Licensing Team has received three formal requests to increase our current tariff and a proposal to have additional tariffs for minibuses/vehicles that carry five or more passengers. There is a legal process to follow under the Local Government (Miscellaneous Provisions) Act 1976 before any increase can be approved.

Tariffs are determined by the Licensing Committee and a report to them needs to reflect the current situation within the taxi trade. When deliberating a new tariff, the Licensing Committee must consider the impact of any increase, as it needs to reflect a balance between allowing licensed drivers to generate a reasonable income, whilst representing value for money for the travelling public.

Before submitting a report to the Licensing Committee, I would request the hackney carriage trade indicate what is their preferred option, or if you would like it to remain the same.

**Only** proprietors who are operating vehicles that carry five or more passengers should respond to the additional tariffs for minibuses/vehicles that carry five or more passengers.

No further proposals will be considered at this stage, however any responses to the options available will be presented to the Licensing Committee.

Could you please return your response to the licensing office or email [taxilicensing@darlington.gov.uk](mailto:taxilicensing@darlington.gov.uk) by **12 November 2023**.

We have prepared a comparison table from local authorities across the North East and Tees Valley of fares for a two-mile journey based on information from your taxi trade magazine. (See Appendix 1.)

Yours sincerely



**Brian Murray**

**Assistant Licensing Manager.**

### Appendix 1 Hackney Taxi Fare Tables

Taxi trade magazine update on the cost of a 2-mile hackney taxi fare on Tariff 1 for the north-east region local authorities in September 2023, and their position out of 344 (lower position number represents more expensive fare)

NE Council	National position	2 mile fare
North Tyneside	107	£7.40
South Tyneside	227	£6.60
Sunderland	229	£6.60
Durham	235	£6.50
Northumberland	257	£6.40
Darlington	265	£6.30
Newcastle	276	£6.20
Gateshead	291	£6.00
Redcar and Cleveland	326	£5.50
Hartlepool	328	£5.40
Stockton	333	£5.10
Middlesbrough	337	£4.90

**Option 1 – current table of fares**

Please tick if this is preferred option

Tariff	First 1760 yards or 1609.34 metres	Each additional 147 yards or 134.35 metres	Waiting time per 30 seconds
<b>Tariff 1</b> (06:00 hrs to 23:00 hrs)	£4.50	15p	15p
<b>Tariff 2</b> (23:00 hrs to 06:00 hrs) and the 24 hrs of all public holidays other than those included in Tariff 3.	£5.00	20p	20p
<b>Tariff 3</b> 18:00 hrs 24 December to 06:00 hrs 27 December and 18:00 hrs on 31 December to 06:00 hrs on 2 January	£6.50	25p	25p
<b>Soiling Fee</b>		£50.00	

**Option 2 – increase in first 1760 yards and amendment to additional yards and waiting time, soiling fee**

Please tick if this is preferred option

Tariff	First 1760 yards or 1609.34 metres	Each additional 132 yards or 120.70 metres	Waiting time per 20 seconds
<b>Tariff 1</b> (06:00 hrs to 23:00 hrs)	£4.80	15p	15p
<b>Tariff 2</b> (23:00 hrs to 06:00 hrs) and the 24 hrs of all public holidays other than those included in Tariff 3.	£6.00	20p	20p
<b>Tariff 3</b> 18:00 hrs 24 December to 06:00 hrs 27 December and 18:00 hrs on 31 December to 06:00 hrs on 2 January	£8.00	25p	25p
<b>Soiling Fee</b>		£60.00	

**Option 3 – increase/amendment in first 1760 yards and amendment to additional yards, waiting time and soiling fee**

Please tick if this is preferred option

Tariff	First 1760 yards/1609.34 metres or 210 seconds	Each additional 134 yards or 122.53 metres	Waiting time per 20 seconds
<b>Tariff 1</b> (06:00 hrs to 23:00 hrs)	£5.00	15p	15p
<b>Tariff 2</b> (23:00 hrs to 06:00 hrs) and the 24 hrs of all public holidays other than those included in Tariff 3.	£5.50	20p	20p
<b>Tariff 3</b> 18:00 hrs 24 December to 06:00 hrs 27 December and 18:00 hrs on 31 December to 06:00 hrs on 2 January	£7.00	25p	25p
<b>Soiling Fee</b>		£60.00	

This option includes a request to add a “Extra” button for adding extra amount to meter for drop off charges at airports for example. This is to be agreed by the Licensing Committee but the proposal from Licensing is £1.00 per press of extra button, with a maximum of £5.00, which is in-line with other North East Local Authorities.



ND,FULLNAME.LIAPPLICANT;

**Option 4 – amendment to additional yards, waiting time and soiling fee**

Please tick if this is preferred option

Tariff	First 1760 yards or 1609.34 metres	Each additional 134 yards or 122.53 metres or uncompleted part thereof	Waiting time per 20 seconds
<b>Tariff 1</b> (06:00 hrs to 23:00 hrs)	£4.50	15p	15p
<b>Tariff 2</b> (23:00 hrs to 06:00 hrs) and the 24 hrs of all public holidays other than those included in Tariff 3.	£5.00	20p	20p
<b>Tariff 3</b> 18:00 hrs 24 December to 06:00 hrs 27 December and 18:00 hrs on 31 December to 06:00 hrs on 2 January	£6.50	25p	25p
<b>Soiling Fee</b>		£60.00	

This option includes a request to add a “Extra” button for adding extra amount to meter for drop off charges at airports for example. This is to be agreed by the Licensing Committee but the proposal from Licensing is £1.00 per press of extra button, with a maximum of £5.00, which is in-line with other North East Local Authorities.

**Option 5 – Extra Tariffs for Hackney Carriage vehicles that carry more than 5 passengers**

Please tick if this is preferred option  Please confirm your Hackney Carriage plate number

Tariff for vehicles licensed to carry more than 4 passengers (Where the vehicle is carrying 4 or less passengers, tariffs 1, 2 or 3 will apply)	First 1760 yards or 1609.34 metres	Each additional 134 yards or 122.53 metres	Waiting time per 20 seconds
<b>Tariff 4</b> (06:00 hrs to 23:00 hrs)	£7.00	20p	20p
<b>Tariff 5</b> (23:00 hrs to 06:00 hrs) and the 24 hrs of all public holidays other than those included in Tariff 3.	£8.00	25p	25p
<b>Tariff 6</b> 18:00 hrs 24 December to 06:00 hrs 27 December and 18:00 hrs on 31 December to 06:00 hrs on 2 January	£10.00	30p	30p
<b>Soiling Fee</b>		£60.00	

This option includes a request to add a “Extra” button for adding extra amount to meter for drop off charges at airports for example. This is to be agreed by the Licensing Committee but the proposal from Licensing is £1.00 per press of extra button, with a maximum of £5.00, which is in-line with other North East Local Authorities.

## CURRENT NEIGHBOURING AUTHORITIES FARE COMPARISON

### DARLINGTON BOROUGH COUNCIL

Tariff 1 - £4.50 first 1760 yards and 15p for every 147 yards thereafter, waiting time 15p for 30 seconds

Tariff 2 - £5.00 first 1760 yards and 20p for every 147 yards thereafter, waiting time 20p for 30 seconds

Tariff 3 - £6.50 first 1760 yards and 25p for every 147 yards thereafter, waiting time 25p for 30 seconds

### HARTLEPOOL BOROUGH COUNCIL

Tariff 1 - £2.50 plus 30p for the first 120 metres and 20p for every 240 metres thereafter

Tariff 2 - £2.50 plus 30p for the first 80 metres and 20p for every 160 metres thereafter

Tariff 3 - £4.00 plus 30p for the first 80 metres and 20p for every 100 metres thereafter

Tariff 4 - £5.00 plus 20p for the first 100 metres and 20p for every 100 metres thereafter

### MIDDLESBROUGH COUNCIL

Tariff 1 - £3.20 first mile or 8 minutes and 10p each 1/17 mile or 30 seconds

Tariff 1 - £4.20 first mile or 6 minutes and 20p each 1/12 mile or 30 seconds

### REDCAR AND CLEVELAND BOROUGH COUNCIL

Tariff 1 - £3.50 first mile – 20p each 1/10 mile thereafter

Tariff 2 - £4.00 first mile – 25p each 1/10 mile thereafter

### STOCKTON-ON-TEES BOROUGH COUNCIL

Tariff 1 - £3.50 first half mile – 10p each following 120 yards or part

Tariff 2 - £3.80 first half mile – 15p each following 120 yards or part

Tariff 3 - £4.80 first half mile – 20p each 130 yards or part

Tariff 4 - £4.80 first half mile – 25p each 130 yards or part

## Appendix 4

### Curent Hackney Taxi Fare Tables

Taxi trade magazine update on the cost of a 2 mile hackney taxi fare on Tariff 1 for the north-east region local authorities, and their position out of 364 (lower position number represents more expensive fare)

NE Council	National position	2 mile fare
Durham	124	£7.30
South Tyneside	233	£6.60
Northumberland	262	£6.40
<b>Darlington</b>	<b>270</b>	<b>£6.30</b>
Newcastle	281	£6.20
North Tyneside	113	£7.40
Sunderland	235	£6.60
Gateshead	296	£6.00
<b>Hartlepool</b>	<b>332</b>	<b>£5.40</b>
<b>Redcar and Cleveland</b>	<b>330</b>	<b>£5.50</b>
<b>Stockton</b>	<b>336</b>	<b>£5.10</b>
<b>Middlesbrough</b>	<b>339</b>	<b>£4.90</b>

An **option 2** fare for a 2 mile hackney taxi fare would increase to £6.80, placing Darlington as third most expensive in the region behind Durham and North Tyneside. It would position Darlington at **187** in the national table.

An **option 3** fare for a 2 mile hackney taxi fare would increase to £7.00 placing Darlington third most expensive in the region behind Durham and North Tyneside. It would position Darlington at **163** in the national table.

An **option 4** fare for a 2 mile hackney taxi fare would increase to £6.50 placing Darlington fifth most expensive in the region. It would position Darlington at **240** in the national table.