

Response to consultation on request for hackney carriage fare increase

Date: 19 December 2022

Report of: Taxi & Private Hire Licensing Manager

Report to: Chief Officer, Elections & Regulatory

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

- Hackney carriage fares are regulated, unlike private hire fares.
- The council has received a request from trade representatives for hackney carriage fares to be increased in order to meet the general higher cost of living and specific increase to the cost of fuel. The fares were last reviewed and increased in June 2022. In recognition of ongoing challenges, the council has consulted on a proposed increase across all hackney carriage fares.
- The council has a legal requirement to publish notice of the revised fares, and to consider any objections received during the ensuing consultation period. This report feeds back on the consultation method, the responses received, and the decision required. If a decision is taken to proceed with the new tariffs it must come into effect within 2 months of the consultation closing, i.e. no later than 16 February 2023

Recommendations

- a) That the Chief Officer Elections and Regulatory sets a commencement date of 20 December 2022 for the new hackney carriage tariffs.
- b) That the Chief Officer Elections and Regulatory approves the council's response to the consultation on the proposed hackney carriage tariff review.

What is this report about?

- 1 The request received refers to the significant general increase in the cost of living in the UK and the considerable specific increase in the cost of fuel. The request received is for a higher fee to be added to the taximeter at the start of every journey, and for 20p to be added to all journeys at a shorter interval than hitherto. The taximeter reading is the maximum fare a driver can charge to a customer.

What impact will this proposal have?

- 2 If approved, the fare increase would approximately £1.30 to the cost of a daytime 2 mile journey made by hackney carriage in Leeds, as shown on the vehicle's taximeter. It would not affect directly private hire fares, which are by UK law not regulated, but may be viewed as contributing to an upward increase in the costs of the general public to use both hackney carriages and private hire vehicles.
- 3 The council licences a maximum of 537 hackney carriage vehicles, and the fare cards would need to be amended and taximeters would need to be updated for each vehicle. There are plans for a wide-ranging vehicle conditions, review later in 2022-23, which would also ordinarily involve a review of hackney carriage fares.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 4 The proposal supports the health and wellbeing priority by recognising that provision of safe and comfortable hackney carriages in the city supports the independence and mobility of a range of people.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted?

Yes

No

- 5 This report follows the statutory publication of a notice of proposed tariff increases, and the consultation which took place as a result in December 2022. The responses to previous hackney carriage fare reviews have been noted, including objections to the fare increases, on behalf of some passenger groups. The engagement or consultation will need to weigh up the additional costs to passengers against the additional benefits to drivers and vehicle owners.
- 6 The most recent annual report on taxi statistics for England draws attention to which people report using hackney carriages and private hire vehicles. An increase of more than £1 per journey would have a disproportionate impact on some people more than others, and would raise a daytime 2 mile journey from £6.90 to £8.20. Most people (58%) rarely use a taxi or PHV (at most twice a year). However around a quarter (28%) travel by taxi or PHV at least once a month and 9% of people travel by taxi or PHV on a weekly basis. People with mobility difficulties, women (especially women aged over 70), and families without a car are all likely to take more journeys by hackney carriage or private hire vehicle.
- 7 The most recent annual report on taxi statistics for England also draws attention to the national drop of around 30% in hackney carriage and private hire drivers in 2021 from before Covid pandemic, indicating a potential shortage of hackney carriage and private hire drivers. Leeds

currently licenses 800 hackney carriage drivers, compared to 894 at the start of March 2020, a drop of around 12%.

- 8 Fuel is one of the major costs for hackney carriage and private hire vehicle owners and drivers. The UK Office for National Statistics reports that petrol has increased in cost by 34p per litre, and diesel by 47p, in the last 12 months. It is possible that fuel prices may fall in the longer term, but they have been increasing very rapidly in 2022, and may well continue to increase. A small fare increase of 50p per journey would go a small way to covering some of the increased costs.
- 9 The council consulted on the request for all 8 hackney carriage tariffs to be increased between 2 and 16 December 2022. The consultation was shared with 60 stakeholder organisations and 1340 individuals who had registered an interest in receiving updates on taxi licensing matters.
- 10 The council received 119 responses to the consultation in total, and 26 responses objecting to the proposed fare increase, and these responses and the council's answers to each are attached at Appendix 1 at the end of this report. The majority of the objections are based on the impact of the proposed increase on passengers. A number of response address specific issues, such as the comparison between hackney carriage and private hire fares, or on changes to the road layout in Leeds city centre.
- 11 The council is initiating a vehicle conditions review later in 2022-23, which will include review of hackney carriage fares and provision of ranks, and the consultation responses will also be used to feed into those reviews.
- 12 26 objections out of 119 people/organisations contacted is a significant level of objection to the proposal. The claim that hackney carriage fares are significantly higher than private hire fares may have been true before Covid and lockdown, but is currently not the case.
- 13 The report recommends that the fare increase be approved by delegated decision.

What are the resource implications?

- 14 There are some resource implications of changing hackney carriage fares once a decision to do so is made. These relate to the requirement to make changes to the hackney carriage vehicle fare cards, and the alterations and resealing of the hackney carriage taximeters.
- 15 While there is some discretion over how fully consultation may take place, as a minimum the following steps have to be followed:
- 16 If objections are received they must be considered, and (whether or not amended as a consequence) the council shall set a further date within two months of the consultation closing, on which the final table of fares and charges shall come into force.
- 17 In order to ensure that hackney carriage passengers are aware of the fare increase, the council would issue replacement fare cards for all vehicles. Similarly, in order to ensure that all taximeters show the same fares, the council should require all taximeters to be updated and resealed with a different colour sealant. The taximeter companies will also charge vehicle owners for the updating and resealing of taximeters.

What are the key risks and how are they being managed?

- 18 There are two main risks arising from the increase in fuel costs for hackney carriage drivers and owners.
- 19 First, high and rising fuel costs limit the availability of hackney carriages, with implications for people who regularly use hackney carriages. Because hackney carriage fares are regulated, in contrast to private hire fares, this gives private hire an advantage in responding to higher operating costs (in this case fuel and general cost of living).
- 20 Second, higher hackney carriage fares are seen as unaffordable to people who regularly use hackney carriages. This may or may not result in objections to the proposed fare increases.

- 21 The risks can be managed through the council supporting a comparatively small fare rise, which should maintain the number of vehicles being available and enable hackney carriage owners and drivers to continue to work without having to absorb all of the higher fuel costs. Using the most common fare index of hackney carriage tariffs, increasing the cost of a 2 mile journey from £6.90 to £8.30 would raise Leeds from being the 57th highest in the country to the 16th highest, and above York and Harrogate for the first time in recent years.

What are the legal implications?

- 22 The proposal constitutes a variation of fares and charges in connection with the hire of a hackney carriage. Accordingly the requirements of section 65 of the Local Government (MP)A1976 would be engaged, and the statutory process for amending the existing fares and charges regime has been followed.
- 23 There is an obligation to consider objections received during the consultation, and responding to those who raise such objections is a matter of good practice.

Options, timescales and measuring success

What other options were considered?

- 24 The council is legally required to consider a reasonable request from the hackney carriage trade for a fare review but is not obliged to agree to the request. The fares were last fully reviewed in 2018, so it has been some time since the last review, since when operating costs have increased significantly. Accordingly it is considered inappropriate for the level of maximum fares and charges remain unchanged.
- 25 The council was keen to hear the views of passenger groups and stakeholders who would be particularly affected by a fare increase, and whether they suggested any alternative options. In this instance, other than a recommendation for a hackney carriage rank in Wetherby, the absence of feedback from the consultation may indicate that the passengers and stakeholders accept the need for a fee increase.

How will success be measured?

- 26 Success will be measured by gauging ease of transition to any new fare.

What is the timetable and who will be responsible for implementation?

- 27 If the council were to pursue the delegated decision route, the timetable could be:
- 20 December Delegated decision taken
 - 20 December New fare implemented
 - From 20 December 537 fare cards amended/updated
 - From 20 December taximeters recalibrated and resealed

Appendices

- Appendix 1 - Responses to the consultation.
- Appendix 2 - Proposed fare card, submitted by Joint Trade Council.

Background papers

Taxi and private hire vehicle statistics, England: 2021, Department for Transport:

[Taxi and private hire vehicle statistics, England: 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/taxi-and-private-hire-vehicle-statistics-england-2021)

Weekly fuel prices 2022, Office for national statistics:

[Weekly road fuel prices - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/weekly-road-fuel-prices)

Private Hire Trade Monthly current hackney carriage fare table:

[Hackney Taxi Fare Tables \(phtm.co.uk\)](https://phtm.co.uk/hackney-taxi-fare-tables)

Appendix 1 Responses to the consultation – Objections and Council response

Comment	Council response
It's too much	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The metered fare remains the maximum fare the driver can charge, and some drivers will be able to agree a lower fare.</i></p>
- no comment, just objected to the proposed fare increase	
- no comment, just objected to the proposed fare increase	
I think the proposed new charges are outrageous and will encourage the average person to consider using less expensive unlicensed taxi companies. Admittedly costs have gone up but these charges and are fair if there is more than one passenger but will be too expensive for pensioners , single parents and single disabled users	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The metered fare remains the maximum fare the driver can charge, and some drivers will be able to agree a lower fare.</i></p>
Taxi making loads of money	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
It is understandable that the taxis want to increase fares, given the current cost of living crisis. The issue I have is with all the alterations to Leeds City Square. These alterations are increasing taxi fares at our expense because taxis now have to go 'all round the houses' to get 200 metres down the road + the meter ticking away in all the congestion eg. getting a taxi from the train station	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The changes to the road layout in Leeds city centre are separate from the request for a higher fare for taxi (hackney carriage) journeys.</i></p>

Comment	Council response
to the Hilton or Crown Point. Visitors who don't know Leeds should not be ripped off like this. Therefore the initial mile or 5 minutes should be free.	
- no comment, just objected to the proposed fare increase	
Because is to less we should put more fare up because everything gone up	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>"The proposed fare is too LOW considering how everything around us has shot up dramatically especially this year of 2022</p> <p>As a HCD I am having to do extra 7 to 10hours a week to take home what i was taking 5years ago with less hours.</p> <p>I request a fare increase of atleast 25 percent on the basis of inflation has risen by approximately 40 percent. Its not fair on us as drivers to have to work donkeys of hours under the minimum wage. soon there will be many of sat at home on universal credit and suffering from depression because we can't afford our BILLS anymore. Please HELP us too we are a part of society and live in that same society as everyone else who are getting pay rises. Thanks "</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
If this is going to happen to Hackney's why it shouldn't for private hire drivers? It seems everything goes against poor private hire drivers by Leeds Council	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>

Comment	Council response
	<i>Hackney carriage fares are regulated, unlike private hire fares.</i>
<p>The cost of Fuel has gone too high. The energy prices have shot up everything has gone up even the car prices has shot up.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>- no comment, just objected to the proposed fare increase</p>	
<p>I consider the percentage increase to be too high, and the increase to be 'stealthy' by a reduction in the distance, rather than an increase in fare for the same distance.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>I don't support such a large increase to the proposed hackney fare tariffs</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>Because they av 100% advantage over phd in town centre, bus lane's it's not fair when we are all doing the same job</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares</i></p>

Comment	Council response
	<p><i>reflects the current costs drivers and vehicle owners incur.</i></p> <p><i>Hackney carriage fares are regulated, unlike private hire fares. The request for a hackney carriage fare review is separate from the traffic regulations relating to bus lanes.</i></p>
<p>- no comment, just objected to the proposed fare increase</p>	
<p>the cost of living crisis is destroying normal working people so what do Leeds city council do put up taxi fares put up council tax they waste millions on road works in the center of Leeds, instead of trying to help who actually ride in taxis I work at late shifts at Cross Green industrial estate and finish at 2am I then have a 40 minute walk into Leeds then get a taxi to Bramley LS13 over the last 18 months this journey has gone from £8.50 a journey to £10.50 and yet you still want to put the prices up disgusting</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>Cos when Bolt taxis come in to Leeds in January they lose out they start at £2.50 or £2.80 they will lose out</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p> <p><i>Hackney carriage fares are regulated, unlike private hire fares.</i></p>
<p>It's not fair as Uber drivers have to do with less charges.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p> <p><i>Hackney carriage fares are regulated, unlike private hire fares.</i></p>

Comment	Council response
<p>I believe we are able to keep our standard of living with the charges we are currently using. We are able to provide a good service as long as some of our drivers don't want to be millionaires</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>They charge whatever they want!!! Increase in price means less customers.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>
<p>I understand that costs are going up for everyone. I would support this rise if the service customers received was good. In truth, most of the time the service is awful. We regularly book hackney carriages in advance and despite this, they are always late, sometimes as much as two hours late, leaving vulnerable people in difficult situations. Some of our clients have complained about rude behavior from the drivers as well.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p> <p><i>You can report poor hackney carriage service to the respective association/company, and if you remain dissatisfied, you can contact Taxi & private Hire Licensing Phone 0113 378 1570 Email taxiprivatehire.licensing@leeds.gov.uk</i></p>
<p>the price increases are too high when you take in the cost of living. The prices in place now are unaffordable for most people.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to</i></p>

Comment	Council response
	<p data-bbox="683 120 1321 188"><i>ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p data-bbox="683 232 1425 367"><i>The cost of living has increased significantly during 2022, and the request for higher metered fares reflects the current costs drivers and vehicle owners incur.</i></p>

Comment	Council response
<p>"The council should look at a proposal to increase the fare on the weekend I.e Friday, Saturday and Sunday when there is an increase in footfall in the city centre. If the proposed increase goes ahead then this will decrease the number of passengers for the trade especially during weekdays when there is very low footfall in the city centre and just push the customer away to the private hire trade.</p> <p>There are many reasons for the low footfall of people in the city I.e many people working from home and not coming into the city, the ridiculous amount of road works going on at the same time around the city centre and of course the cost of living crisis people are going through.</p> <p>I believe if the proposed increase is only affective on the weekend when there is more footfall in the city then this will have less impact on the trade i.e a reduction In passenger numbers.</p> <p>Also I believe that the proposed increase won't have as a bad impact on the trade if it's only on the weekend people would understand it cost more on a weekend then during the weekdays. Many people struggle or wait longer for a hackney carriage on the weekend then during the weekdays.</p> <p>I sounds very hard to explain to a customer the there fare to Harrogate for example is the same price on a quite Tuesday as it is as a busy Saturday night.</p> <p>I believe If the proposed increase was only on weekends then the general public won't mind paying that extra to get home and this would have the least impact on the trade which is going through and continue to go through a very hard time for the next few years at least.</p> <p>Thank you "</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares, including weekday and weekend, reflects the current costs drivers and vehicle owners incur.</i></p>
<p>Already too expensive</p>	<p><i>Thank you for your reply to this consultation.</i></p>

Comment	Council response
	<p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares, including weekday and weekend, reflects the current costs drivers and vehicle owners incur.</i></p>
<p>I don't support this as prices for everything have increased. How can we maintain vehicles, pay bills and work with minimal increases. This is unfair and we deserve to be paid what we deserve.</p>	<p><i>Thank you for your reply to this consultation.</i></p> <p><i>The request for a higher fare for taxi (hackney carriage) journeys reflects the balancing act of paying the driver and vehicle owner enough to ensure availability/provision of the driver and vehicle, and not too much for passengers.</i></p> <p><i>The cost of living has increased significantly during 2022, and the request for higher metered fares, including weekday and weekend, reflects the current costs drivers and vehicle owners incur.</i></p>