

## **REPORT TO EXECUTIVE**

Date of Meeting: 4 November 2025

Report of: Strategic Director of Operations

Title: Request for a variation of Hackney Carriage Fares

### **Is this a Key Decision?**

No

### **Is this an Executive or Council Function?**

Executive

## **1. What is the report about?**

1.1 The purpose of this report is to seek authority for a further consultation period to satisfy the legal duties as laid out under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

1.2 A request has been received from the Chair of Exeter St Davids Hackney Carriage Association, for an increase to the Hackney Carriage Fare Tariff.

1.3 Executive resolved on 20<sup>th</sup> May 2025 to consult on proposed revised taxi fares between 27<sup>th</sup> May and 8<sup>th</sup> July 2025. There is a strict two-month timescale set down by Section 65 Local Government (Miscellaneous Provisions) Act 1976 to consider representations and set a date for fares to come into effect. The process was not completed in that time. Therefore, the consultation process needs to start again. It is proposed that existing representations are carried forward to the new consultation, the consultation period is in line with the two-week statutory consultation period in accordance with the legislation and authority be delegated to the Strategic Director of Operations and Portfolio Holder for City Management to consider any representations made and whether to introduce the proposed changes, with or without modifications.

## **2. Recommendations:**

2.1 That the Executive approves:

(1) That the fare increase proposals set out at Appendix C are put out to public consultation in accordance with the statutory requirements which will run from 6th November until 20th November 2025.

(2) That the comments received at Appendix D during the earlier consultation will be carried forward to the new consultation and considered alongside any other responses received up to and including 20th November 2025.

(3) That authority be delegated to the Strategic Director of Operations and Portfolio Holder for City Management to consider the representations and determine whether to set a date for the revised table of fares to come into effect with or without modifications.

### **3. Reasons for the recommendation:**

3.1 When considering the proposal, members are reminded that the tariff that is set should be regarded as the maximum fares that can be charged. Taxi proprietors are not tied to charging the maximum fare but are not permitted to charge more than the tariff price shown on the meter. Market forces are known to come into play, and for instance because of the level of competition in Exeter, the driver/ proprietor may decide to charge less than the maximum tariff.

3.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 sets out the public notice requirements, but it is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table.

### **4. What are the resource implications including non-financial resources**

4.1 There will be a cost in the public consultation of the proposed tariff table as we would be required to place an advert in a local newspaper and also propose to put signs on the taxi rank notice boards, and to email all dual Hackney Carriage Private Hire drivers and local disability support groups.

4.2 The associated newspaper advert costs (in the region of £600), as well as the staff costs from the additional work generated by the consultation are additional costs not budgeted for within the last fees and charges report, and as such these additional costs will need to be considered at the next fees and charges review to avoid Licensing costs impacting on the Council's general fund.

### **5. Section 151 Officer comments:**

5.1 As vehicle licensing is required to be self-financing, the financial implications contained within this report will be contained within the ringfenced account. This is required to break even over a three-year period.

### **6. What are the legal aspects?**

6.1 Section 65 Local Government (Miscellaneous Provisions) Act 1976 gives the Executive Committee power to determine hackney carriage fares. The power is not delegated to officers.

6.2 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 also sets out the public notice requirements, but it is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table.

6.3 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 also sets out the formal statutory procedure for varying the fares. The Council is required to publish a notice containing the proposed variation table in at least one local newspaper and specify a period of not less than 14 days from the first publication of the notice during which time objections to the variation can be made. A date must be specified for the fares to come into force in the event there are no objections. If an objection is duly made and is not withdrawn, the 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.

6.4 It is for the Executive Committee to determine whether or not such a consultation should be undertaken based on the proposed tariff table. It is also for the Executive Committee to determine the length of any consultation however it must be conducted within the statutory timescale, so that if any changes are implemented, they are implemented lawfully.

## **7. Monitoring Officer's comments:**

7.1 Members will note the legal comments. The Monitoring Officer has no additional comments.

## **8. Equality Act 2010 (The Act)**

8.1 In recommending this proposal potential impact has been identified on people with protected characteristics as determined by the Act and an Equality Impact Assessment has been included in the background papers for Member's attention.

## **9. Carbon Footprint (Environmental) Implications:**

9.1 It was estimated in March 2021 that the transport sector accounted for 29% of the UK's net greenhouse gas emissions (Source: 2020 UK Greenhouse Gas Emissions). The Licensing Committee have previously set ambitious emissions targets for the Exeter Hackney carriage fleet, making it amongst the greenest Hackney carriage fleets in the country. The most recent emissions standards from our taxi policy fully came into effect on 1 January 2020.

9.2 With further reductions in greenhouse gas emissions from transport in mind, it is highly likely that the Licensing Committee will wish to consider introducing further more ambitious emissions targets for Exeter Hackney carriages in the future, and having an appropriate fare table would contribute considerably to the financial viability of any such changes for the Hackney carriage trade.

## **10. Report details:**

10.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 permits Licensing Authorities to set the fares tariff for Hackney carriages (taxis) licensed in the district. The tariff sets the maximum fares that taxis can charge the public when using their vehicles.

10.2 Exeter City Council, in common with most other Councils, have used this power for many years and the last tariff increase was agreed in November 2022. A copy of the proposed tariff table calculation is found at Appendix A. The cost on a per mile basis is found at Table B of Appendix B to this report. To aid comparison the existing 2022 fare table is also included at Table A of Appendix B.

10.3 Since the 2022 tariff change the subject of fare increases has been regularly discussed at Taxi Forum meetings. Throughout this time, the taxi trade's opinion was generally divided in view of the economic situation that some did not wish to see a fare increase as the costs for fares are met by the public using taxis. However, due to increased operating costs it was decided to undertake a fare review in conjunction with the Exeter Hackney Carriage Associations in Autumn 2024.

10.4 The agreed proposal is outlined below:

- An increase in both the flag fall and the daytime tariff 1.
- An increase in both the flag fall and the evening tariff 2.
- An increase in both the flag fall and the weekend and holiday tariff 3.
- The addition of Christmas Day and New Years Day to Tariff 3.
- The complete removal of Tariff 4.
- Retention of the current charge for additional passengers above the first one.
- The introduction of charges for items of luggage (Not to include shopping bags).

10.5 Officers have researched and produced a comparison table of current fares set by this and other authorities in Devon (Table C of Appendix B). The comparison takes into account the position of highest to lowest fares set by all 358 licensing authorities in England and Wales based upon costs of the first two miles journey prepared by the national Private Hire and Taxi Monthly magazine. The present Exeter Tariff 1 cost for a two-mile journey is £7.50.

10.6 The table confirms that Exeter currently has the joint fifth most expensive 2-mile fare level in Devon and is the 133rd most expensive fare in England and Wales over that distance. If the proposed increases are implemented, then Exeter would have the most expensive 2-mile fare level in Devon and would move to approx. 10th position in the national list.

10.7 This Council has not reset its fares since 2022, other authorities have increased fares in 2022, 2023 and 2024.

- Plymouth reset their taxi fares in 2023 and are 60p more expensive than the current Exeter tariff 1;
- South Hams Councils reset their taxi fares in 2022 and are currently 30p more than Exeter's current 2-mile fare;
- East Devon DC increased their tariff fare in 2020, 2022 and 2024 to £8.69, £1.19 more than Exeter's current two-mile fare; and
- Teignbridge DC also raised their fares in 2022, to £7.26, some 24p less than Exeter for a two-mile fare.

10.8 Members may find it useful for an explanation of the current tariff structure operated in this district and there are currently four Tariff levels

- Tariff 1: Applies to any hiring begun between 0700 and 1900 on any day other than Sunday, Public Holidays or Bank Holidays;
- Tariff 2: Applies to any hiring begun on any day (other than Easter Sunday and Public and Bank Holidays) between 1900 and 0700 the following day AND for any hiring on a Sunday from Midnight. This tariff also applies between 0700 and 1900 on Christmas Eve and New Year's Eve;
- Tariff 3: Applies to any hiring begun on Christmas Eve & New Year's Eve from 19.00 until 00.00 AND from Midnight until 07.00 New Year's Day; Good Friday; Easter Sunday; Easter Monday; Mayday; Spring & August Bank Holidays; Christmas Day, Boxing Day; and

- Tariff 4: Applies on Christmas day (24 hours) and New Year's Day from midnight to 7am.

10.9 The proposed tariff structure would be as follows:

- Tariff 1: Applies to any hiring begun between 0700 and 1900 on any day other than Sunday, Public Holidays or Bank Holidays.
- Tariff 2: Applies to any hiring begun on any day (other than Easter Sunday and Public and Bank Holidays) between 1900 and 0700 the following day AND for any hiring on a Sunday. This tariff also applies between 0700 and 1900 on Christmas Eve and New Year's Eve.
- Tariff 3: Applies to any hiring begun on Christmas Eve & New Year's Eve from 19.00 until 00.00 AND Good Friday; Easter Sunday; Easter Monday; Mayday; Spring & August Bank Holidays; Christmas Day, Boxing Day, New Year's Day.
- Tariff 4: Will be removed in its entirety.

10.10 The consultation period to take place between 6 November until 20 November 2025. A public notice will be published on our website and a public notice will be published in a local newspaper as required by statute. Those wishing to engage in the consultation will be able to do so in writing either by email to the Licensing Team by email to [licensing.team@exeter.gov.uk](mailto:licensing.team@exeter.gov.uk) or by post to Licensing Team, Civic Centre, Paris Street, Exeter EX1 1RQ.

10.11 The draft notice is attached as Appendix C

## **11. How does the decision contribute to the Council's Corporate Plan?**

11.1 The appropriate setting of a taxi tariff table will contribute to a healthy and safe city, and lend support to a robust, business friendly economy.

## **12. What risks are there and how can they be reduced?**

12.1 The publication of a proposal to increase taxi fare levels may lead to criticism by members of the public who rely on such services and are resistant to such changes.

12.2 However, the proposed tariff table has been developed in conjunction with the taxi trade rather than solely by the Licensing Authority, and in the event of adverse consultation responses this matter would be referred back to the Executive Committee for further consideration

## **13. Are there any other options?**

13.1 The Executive Committee may reject the request for consultation on the proposed tariff and instead maintain the existing tariff table. However, this may lead to the taxi trade in Exeter becoming economically unattractive to new taxi drivers/ proprietors and hence effect the trade as a public transport service.

**Strategic Director of Operations, Adrian Pengelly**

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## **Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report:-

- Department for Business, Energy and Industrial Strategy: 2020 UK Greenhouse Gas Emissions, provisional figures.
- Private Hire and Taxi Monthly National Hackney Fares table (April 2025).
- Local Government (Miscellaneous Provisions) Act 1976

### List of Appendices:

- Appendix A – Fare Calculation
- Appendix B – Proposed, existing and comparison fare tables.
- Appendix C – Draft Notice
- Appendix D – Consultation Comments
- Appendix E – Equalities Impact Assessment

Contact for enquires:

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