

Licensing and Safety Committee

10 April 2025

Taxi Tariff Review Policy

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Summary

The purpose of this report is to present the responses to the consultation and further engagement for the Taxi Tariff Review Policy.

1. Recommendation

- 1.1. The Committee note the responses received during the consultation, officer's associated comments, the outcome of the requested further engagement and advise on any amendments to the draft Taxi Tariff Review Policy.
- 1.2. The Committee recommend approval of the draft Taxi Tariff Review Policy to Business Support and Digital Overview and Scrutiny Committee, Cabinet and Council.
- 1.3. The Committee note the proposed minor amendment to the Hackney Carriage and Private Hire Policy 2021-2026, to reflect the introduction of the Taxi Tariff Review Policy.
- 1.4. The Committee recommend approval to amend the Hackney Carriage and Private Hire Policy to Business Support and Digital Overview and Scrutiny Committee, Cabinet and Council.

2. Budget and policy framework

- 2.1. The Committee's terms of reference state that the Licensing and Safety Committee will make recommendations to Council for approval of any licensing policies.
- 2.2. The Hackney Carriage and Private Hire Policy 2021-2026 states:
 - 8.1.2 Medway Council will review the tariff when a bona-fide proposal is received.

- 2.3. If the Taxi Tariff Review Policy is approved, this will need to be amended.
- 2.4. It is proposed to change this paragraph to:

8.1.2 Medway Council will review the tariff in line with their Taxi Tariff Review Policy.

3. Background

- 3.1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 states that “a district council may fix the rates or fares within the district for time as well 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.”
- 3.2. The above means that it is at the discretion of the Council, as licensing authority, to set a tariff for licensed hackney carriages operating within the borough.
- 3.3. By fixing the fares, the Council is effectively setting the maximum fare that hackney carriage drivers can charge. Legally, taxi drivers may charge less than this rate but may not charge more.
- 3.4. The setting of fares applies only to hackney carriage drivers and not to private hire drivers who can charge their own rates as statute allows. In practice however, many private hire drivers charge the rate set by the tariff for journeys within the borough as this leads to fewer arguments with customers who may otherwise be confused as to why charges differ for the same journey.
- 3.5. On 10 December 2024 a draft Taxi Tariff Review Policy was presented to the Licensing and Safety Committee requesting approval to carry out a consultation with the licensed trade. This was duly granted and the consultation carried out.
- 3.6. On 20 February a report was brought to the Licensing and Safety Committee, detailing the outcome of the consultation. The Committee deferred the decision on the policy to allow for further engagement.
- 3.7. Following the meeting held between Licensing and the MLTDA (Medway Licensed Taxi Drivers Association) chair and vice-chair, the draft Taxi Tariff Review Policy was amended. A brief explanation of each change can be found below:
 - 3.7.1. Addition of an ‘Emergency Review’ process. Should there be an unforeseen financial burden on the trade, they can request an interim review by submitting a written request supported by more than 50% of the trade.

3.7.2. Inclusion of the other elements of the tariff on a rotational basis. Each review will look at the flag, yardage and one other element.

4. Options

- 4.1. The Committee recommend approval of the updated draft Taxi Tariff Review Policy as shown at **Appendix A** to Business Support and Digital Overview and Scrutiny Committee, Cabinet and Full Council; or
- 4.2. The Committee recommend changes to the Taxi Tariff Review Policy and then recommend approval of the final draft by Business Support and Digital Overview and Scrutiny Committee, Cabinet and Full Council.
- 4.3. The Committee recommend the changes to the Hackney Carriage and Private Hire Policy 2021-2026 as detailed in paragraphs 2.2-2.4 of this report, for approval by Business Support and Digital Overview and Scrutiny Committee, Cabinet and Full Council.

5. Advice and analysis

- 5.1. A documented policy ensures a transparent and consistent approach when reviewing Hackney Carriage Tariffs, negates the need for submissions to be received from the taxi trade before any review is undertaken and alleviates the risks of unforeseen operational pressures upon the service arising from uncontrollable/unexpected, or excessive tariff review requests. This will also reduce the cost and consultation period implications in relation to the legal requirement to advertise and consult on any variation to tariffs.

6. Risk management

- 6.1 An unreasonably expensive tariff could be a source of resentment amongst the travelling public. Equally the council's tariff limits the earning potential of its licensed taxi trade and so an unreasonably low tariff could be a source of resentment amongst the trade.

7. Consultation

- 7.1 The six-week consultation with the licensed hackney carriage and private hire trade commenced on 16 December 2024 and ended on 26 January 2025.
- 7.2 The consultation email went out to 472 drivers, directly from Licensing.

7.2.1 We received 4 responses from individual drivers.

- 7.3 These responses can be found at **Appendix B**.

- 7.4 The MLTDA have confirmed the following:

- 7.4.1 The MLTDA team have had many conversations with drivers when out and about and these conversations influenced the questions that were circulated in a survey.
- 7.4.2 They sent a questionnaire out to 97 drivers. They have more members, but several emails bounced back.
- 7.4.3 They received 58 responses to assist them in compiling their response.
- 7.5 The results of the survey and the formal response can be found at **Appendix C**.
- 7.6 The licensing authority have provided comments for consideration in relation to the responses received during the consultation. These can be found at **Appendix D**.
- 8. Climate change implications
 - 8.1. There are no climate change implications.
- 9. Financial implications
 - 9.1. The Council's licensing activities are met from a budget within the Business Support Department and licence fees contribute to meeting the cost of the service. The implementation of this policy will cause an increase in advertising which will come from licensing's public advertising budget line.
- 10. Legal implications
 - 10.1. There is no legal requirement for a policy.

Lead officer contact

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Appendices

Appendix A – Draft Taxi Tariff Review Policy.
Appendix B – Consultation responses from individuals
Appendix C – Consultation response from the MLTDA
Appendix D – Officer comments

Background papers

None