

North Yorkshire Council

Executive

12 May 2026

Review of Maximum Hackney Carriage Fares

Report of the Assistant Director – Regulation and Harbours

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to consider requests to vary the Council's Hackney Carriage Table of Maximum Fares.

2.0 BACKGROUND

- 2.1 In accordance with section 65 of the Local Government (Miscellaneous Provisions) Act 1976, the Council may fix the maximum rates of fares to be paid in respect of the hire of Hackney Carriages within North Yorkshire by means of a table (hereafter referred to as a "table of fares"). The table of fares may comprise charges for time, distance and all other charges in connection with the hire of a hackney carriage vehicle.
- 2.2 A hackney carriage vehicle can be hailed by passengers on the roadside, it can stand on a rank to await the approach of passengers, and it can be pre-booked by telephone. In contrast, private hire vehicles are licensed to perform pre-booked work only, which must be obtained through a licensed private hire operator. The Council's table of fares applies only to hackney carriage vehicles. The Council has no power to set maximum fares in respect of private hire vehicles.
- 2.3 The current table of fares came into effect in 1 July 2024 following consultation and consideration by the Executive. The current table of fares is attached at Appendix A (with proposed changes detailed in yellow, see para 3.9). It should be noted that drivers may agree to charge a lower amount than the maximum fares at their own discretion.
- 2.4 A further review was carried out in 2025 and, following a comprehensive consultation, Executive decided on 24 September 2025 to make no change to the maximum fares at that time.
- 2.5 Any proposed variation to the table of fares must be advertised at the Council offices and by way of a notice in a local newspaper stating a period (not less than 14 days from the date of publication) within which interested parties may lodge objections. Where there are no outstanding objections, the proposed table of fares shall come into effect upon the expiration of the period specified in the notice. If objections are received, the Council shall set a further date (not later than two months from the first specified date), at which time the table of fares shall come into force with or without modifications as determined by the Council after consideration of the objections.
- 2.6 If Members propose a variation to the table of fares, approval will be required for the publication of statutory notices, subject to further consideration in the event of any objections being lodged.

3.0 REQUESTS FOR REVIEW

3.1 The requests

Since the war in the Middle East, we have seen a steady increase in fuel prices and there is no current prospect of prices going down. Three requests have been received from the hackney carriage trade to review the table of current fares. They can view in Appendix B. An email was sent to drivers and operators further to these requests asking for views. The responses are also contained in Appendix B.

3.2 Comparisons

The existing table of fares was compared against the maximum daytime, night-time and Christmas holiday rates set by neighbouring authorities. The comparison charts are attached at Appendix C.

3.3 Other factors for consideration

There are other factors that affect a driver's ability to make a fair income:

- a. Change in average fuel costs since the last fare increase (source RAC)
 - Majority of licensed Hackney Carriage vehicles are still diesel or petrol fuelled with an increasing proportion being hybrid or fully electric.
 - Unleaded 1 July 2024 134.64p
 - Unleaded 15 April 2026 158.31p
 - Diesel 1 July 2024 134.64p
 - Diesel 15 April 2026 191.54p
 - Petrol has increased by 17.58% since the last increase in maximum fares.
 - Diesel has increased by 42.26% since the last increase in maximum fares.
- b. Cost of living (source Office for National Statistics)
 - The latest consumer price inflation rates over the last 12 months is 3.0%.
- c. The cost of running a vehicle (source Office for National Statistics)
 - The cost of running a petrol or diesel vehicle is unchanged at an average of £3,356.

3.4 Consultation

Paragraph 2.5 of this report details the requirement to place a statutory notice in a local newspaper. In addition, all drivers and operators will be emailed directly for their views and any responses presented to the Executive. Should there be no responses, the proposed revised fares would take effect with no further action required.

3.5 Options available

The Executive can decide to:

- Make no change to the maximum fares
- To increase the maximum fares for each tariff band by a specified amount
- To decrease the maximum fares for each tariff band by a specified amount
- To make any other change to the maximum fares

3.6 The proposal

It is recommended to increase the maximum Hackney Carriage fares for each tariff band by 5% and make no change to the additional charges at the bottom of the tariff card. Appendix A details the changes to the tariff card in yellow.

3.7 An increase of 5% will have the following effect:

- Tariff 1 increases from £2.22 to £2.33 per mile, £20.23 to £21.24 per hour waiting time.
- Tariff 2 increases from £3.15 to £3.31 per mile, £28.90 to £30.35 per hour waiting time.
- Tariff 3 increases from £4.20 to £4.41 per mile, £38.54 to £40.47 per hour waiting time.

- 3.8 It is important to note that the percentage rises in fuel do not directly correspond to the increases needed in tariffs to recover these costs. An average taxi achieving 40 miles per gallon achieves 8.799 miles per litre of fuel. Increasing tariff 1 therefore increases income by 97p per litre of fuel consumed.

4.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 4.1 The Council is committed to protecting communities, safeguarding children and ensuring the safety and wellbeing of the public.
- 4.2 A regular review of the table of fares supports economic growth and incentivises work in the hackney carriage industry, which delivers significant public protection benefits.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The Council is not legally obligated to set the maximum rates of charges. However, the vast majority of licensing authorities do set maximum fares to provide certainty, consistency and, particularly in relation to occasional passengers, protection from unfair or unreasonable charges.
- 5.2 The Council may consider retaining the existing table of fares. However, this may impact on the ability of the hackney carriage trade to deliver a vital service.

6.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

- 6.1 The Council's Integrated Passenger Transport Service (IPT) is responsible for arranging and managing school and social care transport for children and vulnerable adults across North Yorkshire. It is in the public interest to ensure that the table of fares does not adversely affect the Council's ability to secure transport via hackney carriage services. The table of fares was adjusted last year to reflect this. The adjustments have worked successfully over the last year so no changes to this element are proposed.

7.0 FINANCIAL IMPLICATIONS

- 7.1 Costs relating to the statutory public notice, consultation and any subsequent meetings are recovered from licence fees charged by the council and paid by the hackney carriage trade. Otherwise, the financial implications are largely for taxi users, although the Council could be impacted through any taxi usage costs incurred by services.
- 7.2 Any increase in fares would have a financial impact on taxi-users throughout North Yorkshire, although drivers may agree to charge a lower amount than the maximum fares at their own discretion.
- 7.3 Any hackney carriage proprietors wishing to charge fares at the increased rates would incur a small, one-off cost for the meter calibration.

8.0 LEGAL IMPLICATIONS

- 8.1 The legislative framework for setting maximum hackney carriage fares has been explored at paragraph 2 of this report.
- 8.2 Section 9D of the Local Government Act 2000 provides that any function of a local authority which is not specified in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 is to be the responsibility of an executive of the authority under executive arrangements. The power to fix maximum hackney carriage fares under section 65 of the Local Government (Miscellaneous Provisions) Act 1976 is not specified in the regulations and is therefore the responsibility of North Yorkshire Council's Executive in this instance.

9.0 EQUALITIES IMPLICATIONS

- 9.1 Disability is a protected characteristic within the meaning of the Equality Act 2010. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not, the Council must endeavour to remove or minimise disadvantages suffered by persons who share a relevant protected characteristic and take steps to meet their needs.
- 9.2 A balance must be sought to allow hackney carriage drivers to make a reasonable living from their trade whilst also removing or minimising disadvantages suffered by persons who have relevant protected characteristics.
- 9.3 The maximum table of fares applies equally to all licensed hackney carriage vehicles. Drivers of hackney carriage vehicles are not permitted to make any additional charges for carrying mobility aids or for providing reasonable assistance to disabled passengers.
- 9.4 An Equalities Impact Screening document is attached at Appendix D.

10.0 CLIMATE CHANGE IMPLICATIONS

- 10.1 Regular reviews of the hackney carriage table of fares ensure that drivers and proprietors are able to plan for future investment in new vehicles, which should mitigate the environmental impact of licensed vehicles in North Yorkshire. Climate change impacts are currently being considered in the review of the Hackney Carriage and Private Hire Licensing Policy. An initial climate change impact assessment form is attached at Appendix E.

11.0 POLICY IMPLICATIONS

- 11.1 In its Best Practice Guidance published in November 2023, the Department for Transport recommends that “in reviewing fare rates, authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers the ability to earn a sufficient income and so incentivise them to provide a service when it is needed. There is likely to be a case for higher fare tariffs at times of higher demand to encourage more drivers to make themselves available or when the journeys are required at anti-social times”.

12.0 COMMUNITY SAFETY IMPLICATIONS

- 12.1 Hackney carriage drivers play a particularly important role in the night-time economy by transporting members of the public home safely late at night. On that basis, it is in the interests of the public to ensure that drivers are fairly rewarded for working during anti-social hours and encouraged to continue providing a vital public service.

13.0 REASONS FOR RECOMMENDATIONS

- 13.1 The Council is expected to set and regularly review the maximum fares to be charged by hackney carriage drivers with a view to protecting the public and ensuring that licensees are fairly rewarded for their work.

14.0 RECOMMENDATIONS

- 14.1 To approve the variation to the Council's Hackney Carriage Table of Fares as set out in Appendix A.
- 14.2 To approve the publication of the required statutory notices notifying of the variation approved in recommendation 14.1 above.

APPENDICES:

- Appendix A – Current table of fares
Appendix B – Requests for an increase in maximum fares
Appendix C – Fare comparison charts
Appendix D - Equalities Impact Screening document
Appendix E - Initial climate change impact assessment form

BACKGROUND DOCUMENTS:

- Local Government (Miscellaneous Provisions) Act 1976
Taxi and Private Hire Vehicle Licensing Best Practice (Department for Transport)

Callum McKeon
Assistant Director for Regulation and Harbours
County Hall
Northallerton
DL7 8AD

Report Author: Gareth Bentley, Head of Licensing
Presenter of Report: Gareth Bentley, Head of Licensing