



## Report to Policy Committee

**Author/Lead Officer of Report:**  
Claire Bower, Chief Licensing Officer

**Report of:** Executive Director Operational Services  
**Report to:** Waste and Street Scene Regulation Committee  
**Date of Decision:** 27<sup>th</sup> July 2022  
**Subject:** Request for Hackney Carriage Fuel Surcharge

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given?	Ref: n/a			
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below.				
"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."				

**Purpose of Report:**

To consider a request from Hackney Carriage Trade Representatives for a fuel surcharge to be applied to each fare.

## Recommendations

That Members of the Sub-Committee approve the suggested fuel surcharge to be applied to all Hackney Carriage Fares.

## Background Papers:

There are no background papers associated with this report.

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: James Lyon
		Legal: David Hollis
		Equalities & Consultation: N/A
		Climate: N/A
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	<b>SLB member who approved submission:</b>	Ajman Ali
3	<b>Committee Chair consulted:</b>	Councillor Joe Otten
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Claire Bower	<b>Job Title:</b> Chief Licensing Officer
	<b>Date: 18<sup>th</sup> July 2022</b>	

## 1. PROPOSAL

1.1 Representatives of the Hackney Carriage Trade have requested consideration of a fuel surcharge to be approved for Hackney Carriage Fares as an urgent measure in response to the significant increases in fuel since the beginning of the year.

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

makes provision for the Council to fix the rates of fares for time, distance, and all other charges in connection with the hire of a hackney carriage.

- 1.3 The proposal is to add a fuel surcharge to each Hackney Carriage job fare that ‘tracks’ when the average UK price of diesel reaches a specific amount using the monthly fuel price reports for Yorkshire & Humberside (published by the [AA](#)) as follows:

When the price of diesel exceeds the following price per litre:	The additional surcharge on all journeys will be:
165.00	£0.40
175.00	£0.60
185.00	£0.80
195.00	£1.00
205.00	£1.20

- 1.4 Any agreed change in fares must be advertised publicly for a period of 14 days. If there are no objections, the fares come into effect at the end of the prescribed period for making objections. If objections are received, the Committee must consider those objections and set a date for any change to take effect no later than 2 months from the date of the original public notice.
- 1.5 If the Sub-Committee were minded to approve the fuel surcharge, this would added to the meter as an additional extra on each journey.
- 1.6 This would require the meter in each Hackney Carriage to be recalibrated to allow the driver to add the surcharge as an “extra” at the end of each journey.
- 1.7 The surcharge will also be detailed on the fares card in each vehicle, to advise passengers about the additional charge.
- 1.8 The Licensing Service will check the fuel price for Yorkshire & Humberside on the [AA](#) website each month and send a short GovDelivery email bulletin to Hackney Carriage licensees where there has been a change.
- 1.9 The timetable below outlines the timescales should the temporary fuel surcharge be implemented:

27 Jul 2022	Waste & Street Scene Committee decision
4 Aug 2022	Public Notice published in Sheffield Telegraph 14-day consultation period begins
17 Aug 2022	14-day consultation period ends
18 Aug 2022	If no objections received, fuel surcharge takes effect

- 1.10 The fuel surcharge will be a temporary measure and consideration will be given to its continuation at the next fares review.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 The decision will contribute to the 'Climate Change, economy and development' ambition set out in 'Our Sheffield – One Year Plan'. It will assist our local taxi trade to continue to provide an essential service to all Sheffield citizens, including those with disabilities and visitors to the city.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 The Trade Representatives for the Hackney Carriage Trade initially made the request for the temporary surcharge via petition.
- 3.2 We consulted with them for more detail of their request and their responses are attached at **Appendix B**.
- 3.3 Further bench marking with other councils suggested that the 'tracking' of diesel prices may work better and therefore further consultation was carried out.
- 3.4 The outcome of that second consultation is attached at **Appendix A**.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### 4.1 Equality Implications

- 4.1.1 There are no equality implications.

### 4.2 Financial and Commercial Implications

- 4.2.1 Variations to fares must be advertised in a local newspaper. The cost of advertisement would be approximately £2000. Advertising costs are paid by the Licensing Service.
- 4.2.2 There will be a small charge for drivers/owners of licensed Hackney Carriages to alter the meter to reflect any determined change. Meter calibration is carried out by an external company.

### 4.3 Legal Implications

- 4.3.1 Section 58 of the Town Police Clauses Act 1847 makes it an offence for the driver of a Hackney Carriage to take as a fare a sum greater than authorised.
- 4.3.2 The Council fixes fares under s65 Local Government (Miscellaneous Provisions ) Act 1965. This authorise a table of fares which sets the amounts that may be recovered as a fare for the metered amount and any additional charges authorised by the Council and displayed in the Hackney carriage by way of notice.

4.3.3 This report sets out the legal implications of setting a table of fares under s65 Local Government (Miscellaneous Provisions) Act 1965.

#### 4.4 Climate Implications

4.4.1 There are no climate implications.

#### 4.4 Other Implications

4.4.1 There are no other implications.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 The option of a fixed surcharge amount was considered.

5.2 As can be seen at **Appendix B**, trade representatives felt that a fixed surcharge amount on each job would be appropriate.

5.3 Evidence from [Department for Business, Energy & Industrial Strategy](#) shows that weekly national average fuel prices are starting to show a downturn so it was considered better to have a surcharge that reflected the current diesel prices and the second consultation showed that the trade agreed.

### 6. **REASONS FOR RECOMMENDATIONS**

6.1 The average price of diesel in Yorkshire & Humberside has increased from **148.8** pence per litre when the fares were reviewed in January 2022 to **195.7** pence per litre in June (according to the fuel price reports published on the [AA](#) website).

6.2 Representatives of the Hackney Carriage trade have requested that a review of fares is considered urgently.

6.3 A surcharge that tracks the average price of diesel is recommended so that drivers have the certainty of being able to add a surcharge quickly as prices increase but that they can also alter when they decrease.

6.4 It is also recommended so that changes can be applied efficiently without the need to ask Committee for a decision each time.

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