

Brighton & Hove City Council

Cabinet

Agenda Item 51

Subject: Hackney Carriage Fare Review

Date of meeting: 17 September 2026

Report of: Corporate Director of City Operations

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Ward(s) affected: All

Key Decision: Yes

Reason(s) Key: Is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 To seek Cabinet approval to sdelegate authority to the Corporate Director, City Operations, in consultation with the Cabinet Member for Culture, Heritage and Tourism, to determine taxi fares in accordance with the statutory scheme, including the current fare review and all future taxi fare reviews.
- 1.2 The proposed fare increase supports the long-term sustainability of the taxi trade, which forms an important part of the city's transport network and provides an essential service for many residents. Maintaining a safe, reliable, and accessible taxi service contributes to the Council Plan objective of creating an accessible, clean, and sustainable city by supporting movement around the city for residents, workers, and visitors. It also supports the ambition of a fair and inclusive city, helping people who may face barriers to travel including older people, disabled residents, and those with limited transport options to access employment, education, healthcare, and community services. In addition, sustaining a viable taxi fleet contributes to the Council Plan outcome of living and ageing well by promoting independence, reducing social isolation, and supporting access to essential services, while helping to ensure the continued availability of licensed vehicles across the city.

2. Recommendations

- 2.1 That Cabinet notes the report and agrees that authority be delegated to the Corporate Director, City Operations, in consultation with the Cabinet Member for Culture, Heritage and Tourism, to determine the table of fares set out in Appendix 1 after consideration of any responses received in relation to the Equality Impact Assessment consultation and, in accordance with Section 65

of the Local Government (Miscellaneous Provisions) Act 1976, to publish notice of the proposed fare variation and invite objections.

- 2.2 That Cabinet agrees that, in the event that objections are received to the proposed variation of the table of fares authority be delegated to the Corporate Director, City Operations, in consultation with the Cabinet member for Culture, Heritage and Tourism to determine the revised table of fares and set the date on which it shall come into force in accordance with the statutory scheme.
- 2.3 That Cabinet agrees to delegate authority to the Corporate Director, City Operations, in consultation with the Cabinet member for Culture, Heritage and Tourism to determine and implement all future revised taxi fare tables in accordance with the statutory scheme, unless amended or revoked by Cabinet.

3. Context and background information

- 3.1 The council can set the fares for taxis within the city including charges based on time, distance, and any other costs related to hiring a vehicle. The council cannot set private hire vehicle fares but historically the local operators follow the taxi fare tariffs set by the council.
- 3.2 On 17 November 2023, the Department for Transport published its updated taxi and private hire vehicle licensing best practice guidance for licensing authorities in England (See background document link).
- 3.3 The Best Practice Guidance at paragraph 10.2 refers to Setting taxi fare rates.

Setting taxi fare rates

Maximum fare rates should be designed with a view to practicality and reviewed regularly, including any variability of the fare rates dependent on time of day or day of the week. Authorities should consider adopting a simple formula for deciding on fare changes as this will increase understanding and improve the transparency of the process for passengers. The Department 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.

To ensure that taxi tariffs reflect the costs of the trade they should be reviewed following significant changes in licensing fees and other major costs such as fuel. Regular reviews will assist drivers in maintaining their earnings and so continue to attract those seeking to become taxi drivers and provide existing licensees with greater confidence to remain in the trade and plan for future investment in new vehicles. Regular reviews will also avoid large changes in fares for passengers that infrequent reviews are more likely to result in.

- 3.4 The taxi trade has submitted the following reasons for requesting a fare increase:
- The main reason is to ensure fares keep pace with inflation. The proposed changes closely follow the increase in the Consumer Price Index (CPI) from August 2019 to the present, with some fares rising by less than this rate. The cost of running and maintaining licensed vehicles has increased significantly. This includes higher fuel prices, insurance premiums, and the ongoing expense of meeting the high standards set out in the council's "Blue Book."
 - Brighton and Hove have dropped from 14th to joint 38th in the national taxi fare rankings. The proposed fare adjustments aim to restore its position to around joint 14th, bringing it back in line with other local authorities.
 - With the Government living wage rising to £13.45 per hour, fares need to support drivers in achieving this income. For example, a driver working on a 50/50 arrangement will need to earn at least £30.00 per hour to collect living wage particularly if they also cover fuel costs.
- 3.5 The taxi trade is not requesting an increase to the initial starting fare (flag fall). Instead, they propose reducing the distance increments (yardage) between fare increases. This approach spreads the increase more fairly across all journey lengths, while keeping short journeys more affordable for vulnerable customers.
- 3.6 Overall, the proposed fare changes are intended to help drivers and vehicle owners meet increasing operating costs, maintain high vehicle and service standards, and earn a reasonable livelihood, whilst seeking to minimise the impact on passengers, particularly those who rely on taxis for short but essential journeys. Taxi fares are influenced by local operating and living costs, and Brighton & Hove experiences many of the cost pressures associated with a South East coastal city. Even with the proposed increase, Brighton & Hove would remain broadly in line with comparable local authorities, including Lewes and Worthing, rather than becoming an outlier nationally.
- 3.7 The proposed tariff also continues to represent good value for passengers travelling at night. Unlike many authorities that apply a night tariff of up to 1.5 times the daytime rate, Brighton & Hove's tariff structure applies only a modest supplement to the initial fare, meaning the city's evening and overnight charges remain comparatively low.
- 3.8 The proposed increase is therefore considered both proportionate and necessary to support a viable, accessible, and sustainable taxi service. In doing so, it helps ensure the continued availability of licensed vehicles for residents and visitors, supports independent living and access to essential services, and contributes to the Council Plan objectives of creating an accessible, inclusive, and sustainable city.
- 3.9 Applications to increase taxi fares are made through the Council's Taxi Forum and based on inflation figures from the Consumer Price Index (CPI), published

by the Office for National Statistics. Where there is agreement within the taxi trade for a fare increase, representatives of the trade are invited to a meeting to discuss any proposals with Council officers and Chair of the Licensing Committee. Any proposal agreed at that meeting is then presented to the next available Cabinet meeting for consideration.

- 3.10 Inflation figures published by the Office for National Statistics show that CPI increased by 30% between August 2019 and March 2026. The proposed fare changes represent a 27.55% increase over the same period, which is below the CPI rate. Since the last fare increase in March 2024, this equates to an average increase of approximately 7.4% for journeys over 10 miles. In addition, it is proposed to increase the waiting time charge from £20 to £30 per hour to help drivers work towards earning the national living wage.
- 3.11 The proposal from the trade equates to a 30p increase per mile to £3.30. The proposed Table of Fares can be seen at Appendix 1 and a % change table can be seen at Appendix 2.
- 3.12 Tariffs 6 to 10 are set at 1.5 x the rates of tariffs 1 to 5. These higher tariffs were introduced to encourage vehicle proprietors to invest in wheelchair accessible vehicles and apply to vehicles carrying 5 or more passengers.
- 3.13 Brighton & Hove's current two-mile Tariff 1 fare of £8.70 ranks 38th nationally and is the fifth highest fare within a comparator group of 17 authorities with similar demographic, economic, housing and deprivation characteristics. Neighbouring Sussex authorities have also been included to provide regional context. Benchmarking data and comparative rankings are attached at Appendix 4.
- 3.14 A proposed fare of £9.30 would move Brighton & Hove to joint 15th nationally, alongside Edinburgh and Glasgow. Within the comparator and Sussex comparison group, Brighton & Hove would rank third highest, behind Eastbourne (£9.60) and Arun (£9.50). This would position Brighton & Hove towards the upper end of comparable licensing authorities whilst remaining within the range of fares currently approved elsewhere.
- 3.15 When considering these rankings, it should be noted that national fare tables are relatively compressed. For example, an increase from £8.70 to £9.30 for a two-mile daytime journey would result in a rise of around 23 places in the national rankings, despite representing a difference of only 60p. National rankings should therefore be regarded as a benchmarking tool rather than an indication of materially different fare levels between authorities.
- 3.16 The timing of fare reviews also affects comparative rankings. Several authorities currently ranked above Brighton & Hove, including Eastbourne, Arun, and Lewes, have already implemented fare increases during 2026, while a number of comparator authorities have not reviewed fares since 2022 or 2023. In addition, the PHTM Hackney Taxi Fare Tables are updated monthly and therefore provide only a snapshot of fare levels at a particular point in time. Relative positions are likely to change as authorities continue to review fares in response to inflationary and operating cost pressures.

4. Analysis and consideration of alternative options

- 4.1 Licensing authorities have discretion to set taxi fares within their area. Drivers are not permitted to charge more than the metered fare, except where a higher fare has been agreed in advance for journeys which terminate outside the city. Exercising this power offers passenger protection. However, if fares are not reviewed regularly, it may lead to businesses becoming unviable and a shortage of taxis to meet demand.

5. Community engagement and consultation

- 5.1 The review of taxi fares has been considered through the Council's taxi and private hire consultation forum, where trade representatives and other stakeholders have had the opportunity to provide views and comments on proposed fare revisions. The trade has nominated representatives to engage with the Council and present the collective views of the taxi sector.
- 5.2 The established process for requesting a fare review has been followed. This process enables the trade's nominated representatives to submit proposals and supporting evidence for consideration by the Chair of The Licensing Committee (non-Licensing Act 2003) and relevant council officers.
- 5.3 On 28 May 2026, a meeting was held between trade representatives, the Chair of the Licensing Committee, and council officers to consider a proposed revision to the taxi fares table. A proposal was agreed in principle and intended for referral to the Licensing Committee. However, subsequent legal advice confirmed that the setting of taxi fares is as an executive function, and therefore, any decision on the proposed fare revision must be taken by Cabinet.
- 5.4 In addition to the statutory consultation requirements set out below, the Council is currently undertaking a four-week engagement exercise on the Equality Impact Assessment (EIA) to provide stakeholders with an opportunity to comment on the assessment of the potential equality impacts of the proposed fare revision. This engagement period will conclude before any delegated decision is taken in relation to the proposed fares.
- 5.5 Should Cabinet approve the recommendation at paragraph 2.1, any responses received through the EIA engagement process will be considered by the Corporate Director, City Operations, in consultation with the Cabinet Member for Culture, Heritage and Tourism, before determining whether to proceed with the proposed table of fares. Any relevant issues raised through the EIA engagement will be taken into account as part of the decision-making process.
- 5.6 If Cabinet approves the recommendation at paragraph 2.1, and following completion of the EIA engagement period and consideration of any responses received, the Corporate Director, City Operations, in consultation with the Cabinet Member for Culture, Heritage and Tourism, will determine the

proposed table of fares. Once that determination has been made, the Council will commence the statutory consultation process required by section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

- 5.7 This requires the Council to publish notice of the proposed fare variation in a local newspaper, setting out the proposed table of fares and inviting objections. The notice must specify a period of at least 14 days during which objections may be submitted and explain how objections can be made. A copy of the notice must also be made available for public inspection. If no objections are received, or if all objections are withdrawn, the revised fares may take effect at the end of the consultation period. Where objections are received and not withdrawn, those objections must be considered before a final decision is taken on whether the proposed fares should be implemented, with or without modification, and a commencement date set in accordance with the statutory requirements.
- 5.8 Where no objections are received, or where all objections are withdrawn, the revised fares may take effect at the end of the consultation period.
- 5.9 If objections are received and not withdrawn, the Council must consider those objections before determining whether the proposed fares should be implemented, with or without modification. Objections may relate to matters such as the level of the proposed fares, affordability for passengers, the financial viability of the trade, or the potential impact on service provision. Any objections received will be considered alongside the rationale for the proposed fare increase and any supporting evidence provided by the trade or other interested parties. In such circumstances, the revised fares must come into force on a date set by the Council, no later than two months after the date originally specified in the notice.
- 5.10 The statutory process therefore provides an opportunity for licence holders, service users, and other interested parties to comment on the proposed fare revision before any changes are introduced.
- 5.11 To enable the statutory process to be completed efficiently and within the prescribed timescales, it is proposed that authority be delegated to the Corporate Director, City Operations, in consultation with the Cabinet Member for Culture, Heritage and Tourism, to consider and determine any objections received during the statutory consultation period and determine the final table of fares and commencement date.

6. Financial implications

- 6.1 The cost of advertising the proposed fare increases will be met from the existing taxi revenue budget. The fare levels outlined in this report are used by the trade and are not an income stream to the council.
- 6.2 The fares review doesn't have any budget implications for school transport. Home-to-school travel costs are covered through contractual arrangements between the school's transport team and operators, and work in the same way

as pre-booked private hire journeys. The taxi fares review only applies to journeys that start from a taxi rank or where a taxi is hailed in the street.

Name of finance officer consulted: David Wilder

Date consulted (26/06/2026)

7. Legal implications

- 7.1 The power to fix fares for taxis is provided by Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. The procedure is set out in the body of the report.

Name of lawyer consulted: Rebecca Sidell

Date consulted (25/06/26):

8. Equalities implications

- 8.1 Taxis provide an important transport option for residents and visitors, particularly disabled people, older people, and others who are unable to use public transport easily. They support access to employment, healthcare, education, and other essential services.
- 8.2 An Equality Impact Assessment has been undertaken. While the proposed fare increase may increase costs for some passengers, particularly those who rely on taxis regularly, this must be balanced against the need to maintain a safe, reliable, accessible, and financially sustainable taxi service.
- 8.3 The proposal seeks to mitigate impacts by retaining the £3 starting fare and limiting fare increases to an average of 30 pence per mile. This is intended to reduce the impact on shorter local journeys while helping to address increased operating, compliance and vehicle replacement costs faced by the trade.
- 8.4 The Equality Impact Assessment concluded that the proposal is proportionate and seeks to balance affordability with the longer-term sustainability, accessibility, and availability of taxi services across the city. Maintaining a viable taxi trade is expected to support the continued availability of wheelchair-accessible vehicles and reduce the risk of declining service provision for those residents who rely most on taxis for independent travel.

9. Sustainability implications

- 9.1 The role of the taxi trade is included in the Local Transport Plan, which identifies it as a key element in providing sustainable transport choices. It creates important links in the transport network to other forms of sustainable transport providing a seamless connection. It will contribute to three of the government's four shared transport priorities – reducing congestion, improving air quality and accessibility. Use of taxis for school transport, licensed vehicles using bus lanes, locating ranks at railway stations and the city coach station, approved use of liquid petroleum gas and provision of

Rapid Charging Hubs all contribute to reducing congestion and moving passengers quickly.

10. Conclusion

- 10.1 The proposed fare increase seeks to strike an appropriate balance between supporting the long-term viability of the taxi trade and protecting passengers from excessive fare increases. The review recognises the significant cost pressures faced by drivers and vehicle proprietors, including vehicle purchase and maintenance costs, insurance, fuel, and broader increases in the cost of living.
- 10.2 The proposed tariff changes are considered reasonable and proportionate when compared with neighbouring and comparable licensing authorities and will help ensure that taxi driving remains a viable occupation, supporting the retention and recruitment of drivers and the continued availability of licensed vehicles across the city.
- 10.3 A sustainable and well-regulated taxi service plays an important role in Brighton & Hove's wider transport network, providing an accessible and flexible form of transport for residents and visitors, particularly those who may have limited alternative travel options. The proposed changes therefore support the council's objectives of maintaining an accessible, inclusive, and sustainable transport system, whilst continuing to safeguard the interests of passengers through the regulation of maximum fares.
- 10.4 The Chair of the Licensing Committee confirmed their support for the proposed fare review following a meeting with trade representatives and licensing officers on the 28 May 2026. For the reasons set out in this report, it is recommended that Cabinet approve the proposed fare increase and delegate authority to the Corporate Director, City Operations, in consultation with the Cabinet member for Transport and City Infrastructure, to determine the revised table of fares and implementation date. Including consideration of any objections received during the statutory consultation period.

Supporting Documentation

Appendices

1. Proposed Table of Fares
2. Proposed and Existing Tariffs Comparison (Tariffs 1 to 5)
3. Proposed and Existing Tariffs Comparison (Tariffs 6 to 10)
4. Benchmarking data and comparative rankings
5. Equalities Statement

Background Documents

1. [Department for Transport Taxi and private hire vehicle licensing best practice guidance](#)