

Reports of price fixing by private hire vehicle operators

Are you breaking the law?

The Office of Fair Trading (OFT) has recently received several reports that certain private hire vehicle operators may have entered into agreements with their competitors to fix prices. In several instances, competitors appear to have agreed on prices on a per mile or minimum journey cost basis.

Such conduct would be illegal under the Competition Act 1998. Under that Act, any business found to have participated in an unlawful price-fixing agreement may be fined up to 10 per cent of its total turnover. In addition, the Enterprise Act 2002 makes it a criminal offence for an individual dishonestly to take part in a price-fixing agreement or other form of cartel conduct between competing businesses. Anyone convicted of the offence could receive a maximum of five years imprisonment and/or an unlimited fine.

You should not be discussing the prices you charge with your competitors. If you are currently doing this you should stop immediately. You are not prevented from changing the price of your services, but all your pricing decisions should be made without discussion with your competitors.

If further instances of similar conduct come to our attention, we may take formal enforcement action.

For more information visit www.oft.gov.uk/pricfixing

If you have any queries, please call OFT Enquiries on **08457 22 44 99**.