

# LICENSING AND REGULATORY COMMITTEE

11<sup>th</sup> MARCH 2019

## REPORT OF ASSISTANT DIRECTOR OF PLANNING AND REGULATORY SERVICES HACKNEY CARRIAGE TARIFF INCREASE

### 1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to present to the Committee a request made by the Hackney Carriage drivers within Melton to consider an increase in the tariff charges.

### 2.0 RECOMMENDATIONS

1. Unless objection/s are received by 18<sup>th</sup> April 2019 the increased Hackney Carriage fares as shown at appendix 4 be approved to commence on 1<sup>st</sup> May 2019 within the Borough of Melton Mowbray.
2. If objection/s are received by 18<sup>th</sup> April 2019 Licensing & Regulatory Committee shall consider the objections prior to the approval of the increased Hackney Carriage fares within the Borough of Melton.

### 3.0 KEY ISSUES

- 3.1 The request to consider an increase to the Hackney Carriage Tariff was received from a representative of the Melton Hackney Carriage drivers. The drivers explain that he has canvassed felt that the fares required increasing due to inflation, particularly the cost of fuel and because it has been over 5 years since they were last reviewed. **Appendix 1(a) & 1(b)**
- 3.2 A Local Authority has the power to set fares for Hackney Carriages under the provisions of s65 of the Local Government (Miscellaneous Provisions) Act 1976.
- 3.3 There is a prescribed process that should be followed by a Local Authority when considering a tariff increase, this is attached as **Appendix 2**.
- 3.4 If there is to be an increase in the tariff, this should be a balanced approach that ensures that the demand for the use of Hackney Carriages continues and that the cost of providing the service reasonably reflects the cost of running such a service.
- 3.5 The increases requested may not adequately reflect the increase in cost of providing a taxi service since the last increase in 2014, taking into consideration running cost increases, e.g. fuel, insurance, minimum wage increases etc as no supporting evidence has been supplied.
- 3.6 The Table of fares which came into force on 1<sup>st</sup> April 2014 is attached at **Appendix 3**.
- 3.7 The increase that has been proposed shows a decrease as the First 1/3 mile has been changed to first ½ mile of around -16.67 - 25% but an increase on each mile thereafter of 12.5%.  
Waiting time has been increased by 33.3% pro rata.  
A table of proposed fares has been created **Appendix 4**.

- 3.8 To indicate how the calculations have been made and how this affects the total fares a table has been shown over a 5 mile journey (Without waiting time) See **Appendix 5**.
- 3.9 Objections are anticipated against the tariff increase and s65 of the LG(MP)Act 1976 requires that the objections must be considered. Any such objections will be presented to the Committee for consideration before a final decision on the scale of fees is concluded.
- 3.10 It was also requested that the fare system apply only for the LE13 postcodes as the drivers do not find it financially viable to travel to the outlying villages to provide transportation. LE13 is a narrow postcode and would only cover Melton town (**see Appendix 6**) However, the legislation does not permit fares to be implemented in only part of the Borough and any changes will need to apply to the whole area. It is therefore not recommended that this request for fare structure be implemented.
- 3.11 The Table of fares currently applies to journeys starting and finishing within the Melton Borough and are there to regulate the cost for residents of The Borough. Any fare being outside the borough is permitted to be by prior agreement with the driver and hirer.
- 3.12 Private hire vehicles are available to be booked by prior agreement and if it were allowed would adversely affect that trade.
- 3.13 There are currently 20 Private hire vehicles registered in the Borough and of them 1 is a Special Type and 9 are exempted for Executive vehicle use (Chauffeur) leaving 10 Private hire vehicles available.

#### 4.0 **POLICY AND CORPORATE IMPLICATIONS**

- 4.1 If the tariff increase is agreed as per the recommendation there would be no changes to the existing taxi policy, nor any corporate implications.
- 4.2 If the fare structure was not to apply to the whole Borough then the Policy would need to be amended **Appendix 7**.

#### 5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

- 5.1 An increase in the taxi tariff would not impose additional costs nor generate any income for the Council.
- 5.2 There will be cost to the Council in terms of officer time in the carrying out of the consultation and implementing any change and financially for the advertising of proposed tariff in the newspaper. The exact quantity of this cost has not yet been established but is estimated to be in the region of £1500. This can be met from existing budgets.

#### 6.0 **LEGAL IMPLICATIONS/POWERS**

- 6.1 The legal basis for considering changes to the tariff is set out in the report. Prior to any variation coming into force the Council must publish a notice in at least one newspaper detailing the variation to the fares, specifying a period (which shall not be less 14 days from the date of first publication) and the manner in which objections can be made. A copy of the notice should also be available at the

Council offices from the date of publication for public inspection. If no objections are received the fare shall come into operation on the date specified in the notice. Upon the adoption of a new taxi tariff the existing tariff within the Borough shall cease to have any effect and all drivers will be bound to the new approach.

6.2 If objection(s) are received and is not withdrawn, the council shall set a further date, not later than two months after the first specified date, on which the table of fares shall come into force with or without modifications as decided by them after consideration of the objection(s).

7.0 **COMMUNITY SAFETY**

7.1 There are no community safety issues to be considered with a taxi tariff increase.

8.0 **EQUALITIES**

8.1 There are no equalities issues to be considered.

9.0 **RISKS**

9.1 Risks associated with this proposal are considered as follows:

<b>L I K E L I H O O D</b>	<b>A</b>	Very High				
	<b>B</b>	High				
	<b>C</b>	Significant				
	<b>D</b>	Low			1,2	
	<b>E</b>	Very Low				
	<b>F</b>	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4
			<b>IMPACT</b>			

<b>Risk No.</b>	<b>Description</b>
1.	Negative public reaction to the increase in fares

2.	Opposition from some drivers resulting in a protracted process and disputes played out in public
3.	Reduced competitiveness for Melton taxis

## 10.0 CLIMATE CHANGE

10.1 There are no implications for Climate Change.

## 11.0 CONSULTATION

11.1 Consultation would be carried out as part of the process of adopting any tariff increase.

## 12.0 WARDS AFFECTED

12.1 All.

Contact Officer: Simon Greensmith, Licensing & Compliance Officer

Date: 30<sup>th</sup> January 2019

Appendices :  
 1 - Letters from Taxi representative  
 2 - Statutory procedure  
 3 – Current Table of fares 2014  
 4 – Proposed Table of fares 2019  
 5 – Fare tariff calculations  
 6– LE13 Postcode map  
 7 - Hackney Carriage & Private Hire Policy 2018

Reference : X:\Cttee, Council & Sub Cttees\Licensing & Regulatory Committee & Subs\1. Licensing & Regulatory Committee\2018-19\11.03.2019