



## Licensing Committee

Date: 13<sup>th</sup> June 2019

Report of:

Assistant Director for Strategic  
Planning and Regulatory  
Services

### HACKNEY CARRIAGE TARIFF INCREASE

#### 1.0 Summary:

1.1 The purpose of this report is to present to the Committee the results of the public consultation to the proposal to adjust the taxi tariff increase proposed on 11<sup>th</sup> March 2019.

#### 2.0 Recommendations

2.1 **To consider the representations made by members of the public and to make a decision on the proposed fare increase.**

2.2 **To approve the fare increase to commence on 1<sup>st</sup> July 2019 within the Borough of Melton.**

#### 3.0 Report Detail

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 an 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 S.65 of the LG(MP)Act 1976 requires that the objections must be considered.

#### 4.0 **Consultation and Feedback (including Scrutiny Committee)**

- 4.1 Consultation took place between 4<sup>th</sup> April – 30<sup>th</sup> April 2019
- 4.2 4 responses were received during the consultation period and a table of responses has been produced **Appendix 6**
- 4.3 The letters and emails can be seen **Appendix 6a – 6d**

##### **Summary of representations received:**

- **See Table of responses Appendix 6**

##### **Assessment of representations:**

- Of the four representations received, only one objected to the proposals stating that they had not been consulted and that the new rate 5 is at best excessive and at worst likely to do their trade harm.
- Two gave alternative charges and suggested change to the soiling charge.
- The third was a general comment regarding the consultation process and lack of taxis in rural locations.

As there appears to be no reasoning or justification behind the alternative charges and as the proposed new fares are to be increased pro rata it would be difficult to justify amending the proposals.

Consideration can be given to the New rate 5 and if it is judged to be excessive for a large seating capacity hackney carriage operating on a public holiday.

The issue of the consultation process, it has followed the legislation in being advertised in the local newspaper, On the council website and by letter to all drivers, operators and responsible authorities.

The issue of Taxis not accessing the outlying district is a common thread which cannot be answered by a change to the fare structure.

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## 5.0 **Next Steps**

- 5.1 To advertise the increase in line with the tariff agreed by the Licensing Committee
- 5.2 To inform the approved taxi meter companies and arrange recalibration of all Melton Mowbray hackney carriages.

## 6.0 **Financial Implications**

- 6.1 An increase in the taxi fare tariff would not impose additional costs nor generate any income for the Council.
- 6.2 Depending on the resolution of the Committee, there could be a cost to the Council in terms of officer time in the carrying out any re-consultation, development 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

## 7.0 **Legal and Governance Implications:**

- 7.1 The legal basis for considering changes to the tariff and the procedure to be followed has been set out above.
- 7.2 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 tariff.

## 8.0 **Equality and Safeguarding Implications:**

- 8.1 There are no equality or safeguarding issues to be considered with a taxi tariff increase.

## 9.0 **Community Safety Implications:**

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

## 10.0 **Other Implications**

- 10.1 If the tariff increase is agreed as per the recommendation there would be no changes to the existing taxi policy, nor any corporate implications.
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**11.0 Risk & Mitigation:**

11.1 Identify what the risk is and how you will mitigate this risk.]

11.2

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

**IMPACT**

<b>Risk No</b>	<b>Risk Description</b>
<b>1</b>	Negative public reaction to the increase in fares
<b>2</b>	Opposition from some drivers resulting in a protracted process and disputes played out in public
<b>3</b>	Reduced competitiveness for Melton taxis

**Background Papers:**

[Need to explain what a background paper is and when it should be included here.]

**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 – Table of responses
- 8 – Hackney Carriage & Private Hire Policy 2018

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**Report Timeline:****Director Approval****Chief Finance Officer Sign Off****Monitoring Officer Sign Off****Exempt Reports**

Nil

**Date of Review to make public (Exempt Reports only)****Report Author & Job Title**

Name and Job title: Simon Greensmith Licensing &amp; Compliance Officer

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