

<b>REPORT TO:</b>	Licensing Committee
<b>DATE:</b>	6 <sup>th</sup> December 2023
<b>LEAD OFFICER:</b>	Head of Planning, Public Protection and Countryside Services
<b>CONTACT OFFICER:</b>	Public Protection Business Manager <a href="mailto:licensing@denbighshire.gov.uk">licensing@denbighshire.gov.uk</a> 01824 706066
<b>SUBJECT:</b>	Proposed Changes to Hackney Carriage Vehicles Table of Fares and Charges

## **1.0 PURPOSE OF THE REPORT**

- 1.1 To update Members on the review the current tariff charges for hackney carriage vehicles (taxis).

## **2.0 EXECUTIVE SUMMARY**

- 2.1 The Licensing Service received a request on the 13<sup>th</sup> June 2023 from a Hackney Carriage proprietor for the review of the current Hackney Carriage Table of Fares, in accordance with Section 65 of the Act the Council is required to undertake a specified process when reviewing the Hackney Carriage Table of Fares.
- 2.2 At the last Licensing Committee meeting in September 2023, Members considered the request and authorised Officers to consult.
- 2.3 A formal consultation process is required as part of the specified process under the Act, this was undertaken between the 18<sup>th</sup> September and 15<sup>th</sup> October 203.

## **3.0 POWER TO MAKE THE DECISION**

- 3.1 Local Government (Miscellaneous Provisions) Act 1976

## **4.0 BACKGROUND INFORMATION**

- 4.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 ("the Act") allows the Council to fix the rates or fares within the County in connection with the hire of a hackney vehicle.
- 4.2 At the last meeting in September, consideration of a request by a Hackney Carriage proprietor to increase the table of fares by 10% was made by

Members and after recommendations put forward by Officers to consider a 5% increase based on the Retail Price Index all Motoring, it was resolved:

- a) *officers be instructed to consult on the implementation of an increase to the tariff by 5% (rounded to the nearest full percent) in line with the Retail Price Index for Motoring;*
- b) *officers be authorised to proceed with a statutory notice with an implementation date of at least 28 days following publication of the notice, and*
- c) *officers be instructed to prepare a report for the next Licensing Committee if any objections were received to that statutory notice.*

4.3 The statutory consultation process was undertaken between the September and October 2023 as follows:

- 1. Public consultation through Denbighshire's County Conversation portal
- 2. Email to all Hackney Carriage Proprietors and licensed drivers
- 3. Email to all County, Town and Community Councils
- 4. Email to Denbighshire Voluntary Services for further circulation between relevant organisations
- 5. Statutory Public Notice in local newspaper
- 6. Public Notice placed at the Council Offices and Libraries

4.4 If no objections are received within the statutory consultation period, the fares are implemented on the date stated, which in this case was 1<sup>st</sup> November 2023. If objections are made, the council must set a date, no later than two months after the proposed implementation date, for the fares to come into effect, with or without changes i.e. by the 1<sup>st</sup> January 2024.

4.5 There were no direct written responses and 64 respondents accessed the consultation via the County Conversations portal, however 4 of those did not indicate whether they were in support or against the proposal, and have therefore been excluded from the totals. It was noted that 11 of the responses choose to be anonymous but they have been included in the figures. Further details can be found at Appendix A but those indicating preference can be summarised as:

<b>Number in support of 5% increase</b>	<b>Number against 5% increase</b>	<b>Number in support of more than 5%</b>
14	37	9

4.6 19 of the respondents indicated they were a licensed driver/operator. There are approximately 280 licensed drivers and hackney carriage proprietors.

- 4.7 It is acknowledged that two respondents to the consultation are proprietors of large taxi firms, and have stated that they are responding on behalf of their drivers/employees, one being in support of a rise of more than 5% and one not supporting any rise.
- 4.8 Members are reminded of the initial consultation with licence holders which resulted in 56 responses of which 47 were in support of a fare increase of 10%.
- 4.9 It is important to note that the Table of Fares provides the maximum fare that can be charged for a journey. The proprietor can agree a lower fare with the passenger.
- 4.10 It should be further noted that the table of fares only relate to fares wholly within the County of Denbighshire. Where a journey starts or finishes outside of the County an agreed fare can be reached between driver and passenger. This can be more or less than the Councils table of fares. If there is no fare negotiated before the journey starts then the meter must be used and the table of fares would be relevant.
- 4.11 Officers have prepared a simple table for each tariff based on full miles i.e. distance only, which can be found at Appendix B.
- 4.12 Members are further reminded that this fare review is in addition to the review of fares aligned to a tariff calculator review. Members will recall at their 7<sup>th</sup> December 2022 meeting they resolved to instruct officers to carry out further research with assistance from local licensees on the use of a tariff calculator. In order for a tariff calculator to be used, input from drivers and proprietors is paramount and although a little later than anticipated, due to the additional work involved in this current fare review, an initial meeting with all licence holders who expressed an interest to contribute to providing data for the tariff calculator, has been arranged for the end of November 2023.

## **5. CONSIDERATIONS**

- 5.1 The Council needs to support, as much as is reasonably practicable, the hackney carriage trade and given the rising cost of living, in particular, the cost of fuel (petrol, diesel and electricity), it is not unreasonable for the Council to allow the fares to be increased. A failure to do this reduces the ability of hackney carriage proprietors to effectively run their business in a competitive marketplace, which may then result in a reduction in the overall number of hackney carriages

- 5.2 Equal consideration should be made for the impact any increase in Hackney Carriage fares may have on the travelling public for the same reasons it has on the Hackney Carriage Proprietors themselves. To offset changes in the marketplace and for Hackney Carriage Proprietors to retain their existing customer base they have the ability to charge up to the maximum amount on the Hackney Carriage Table of Fares. This allows them to negotiate a reasonable price with their regular customers and retain their custom, whilst still enabling them to gain a margin of profit.
- 5.3 It is important to note that while there are no direct costs or financial implications relating to any increase in the Council's Table of Fares an increase could indirectly have an impact on the Council's School Transport budget
- 5.4 Consideration should be taken into account on the costs associated to calibrating meters on the industry should Members be minded to approve a fare increase— approximate charge for a meter in each vehicle would be £25.
- 5.5 Members should note that any amendments to the existing tariff will require a Lead Member Delegated decision to ensure the Council meets its constitutional obligations.
- 5.6 In summary Members are being asked to consider one of the following options:
- Retain the current table of fares;
  - Given the split in consultation responses, retain the current table of fares pending the outcome of the fare calculator review and refer back to a future Licensing Committee for consideration
  - Approve the proposal of 5% increase as consulted
  - Approve a different increase

## **6. RECOMMENDATION**

- 6.1 That Members consider the contents of this report and resolve to take one of the options outlined in 5.6 above.
- 6.2 Should Members resolve to increase the proposed table of fares, authorise Officers to prepare a report to Lead Member for approval with a revised implementation date which must be no later than 1<sup>st</sup> January 2024.