

Licensing and Regulatory Committee

Minutes of the meeting held at Shire Hall, Warwick on Monday 11 March 2024 at 4.30pm.

Present: Councillors Gorman (Chair), Barton, Dray, D Harrison, King, Kohler, Rosu and Sinnott

13. **Apologies and Substitutes**

- (a) apologies for absence were received from Councillors Armstrong, Syson, C Gifford, Redford and Roberts; and
- (b) there were no substitutes.

14. **Declarations of Interest**

There were no declarations of interest.

15. **Proposed Hackney Carriage Fare Increase**

The Committee considered a report from Safer Communities, Leisure, and Environment regarding requests that had been received from the taxi trade for the current Hackney Carriage fare tariffs to be increased. The current tariff had been in place since 2014 and should be reviewed in line with the current economic climate.

The ability of the Council to set Hackney Carriage fares was derived from S65 of the Local Government (Miscellaneous Provisions) Act 1976. The setting of Hackney Carriage fares was a Cabinet function, but the Cabinet were seeking the views of this Committee based upon its knowledge of licensing Hackney Carriage Drivers.

The Council should apply this power reasonably as the fixing of a market price for Hackney Carriage fares within the Council district had a direct impact on the ability for a hackney driver to make a living.


Tariff rates only applied to Hackney Carriages (HC), there was no similar power to set fares for Private Hire vehicles. Private Hire Vehicles had discretion to set whatever charges they consider reasonable, given normal market forces and business competition.

Hackney carriages could set lower fares and offer special discounts should they wish but were unable to charge more than the set fares and tariff maximum. However, when the journey goes beyond the boundary of the District, the tariffs did not apply.

Tariff rates differed according to the time of day, the number of passengers, and whether the journey took place on a bank holiday. Tariffs directly related to the unsociable hours worked by drivers, therefore ensuring as far as possible the provision of Hackney Carriage transport was always available.

The current tariff was introduced in 2014. Table 1 - Current tariff:

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	Tariff 1 4 or less passengers (Day*)	Tariff 2 4 or less passengers (Evening **) 5+ passengers (Day*)	Tariff 3 5+passengers (Evening**)
Distance First 7/10 th Mile	£3.40	£5.10	£6.80
Subsequent Distance 1/10 th Mile	£0.20	£0.30	£0.40
Waiting Time 30 Seconds	£0.10	£0.15	£0.20
Soiling Charge	£75		
Day* = 06:00 to 22:00 Evening = 22:00 to 06:00 and Bank Holidays ** Except on Christmas Eve and New Years Eve = 18:00 to 06:00			

Warwick District Council currently licenced 143 vehicles as Hackney Carriage vehicles. 100 of these vehicles (69.9%) had five or more passenger seats and would use tariff 3 in the evening and on bank holidays.

Warwick District Council currently sat at number 310 out of 355 other local authorities on the National Hackney Carriage Fare Table for a two-mile fare at Tariff 1. With No.1 on the table being the most expensive and 355 the cheapest set fare in the country. Below showed a table with how WDC currently compared with our neighbouring Local Authorities.

Position in National table (As of Feb 24)	Local Authority	2 mil.Fare (in the day)	Last HC fare increase
53	Coventry	£8.00	2022
135	Nuneaton Bedworth	£7.25	2023
158	Rugby	£7.10	2022
197	North Warwickshire	£6.80	2022
235	Stratford	£6.60	2023
310	Warwick	£6.00	2014

The cost-of-living crisis, including increase in fuel and running costs (maintenance and insurance etc) was considered as the main reason why the Council had received several enquiries by the taxi trade for a fare increase.

On 11 December 2023, Cabinet agreed to a fare increase consultation. This consultation was with the owners of Hackney Carriage vehicles only as these vehicles had to use the fare structure decided by WDC. WDC Private Hire vehicles could charge whatever they felt reasonable. An online consultation took place between 18 December 2023 to 15 January 2024. 57% of the licensed HC trade responded. The results of the survey were attached as Appendix 1 to the report.

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When asked what percentage increase HC vehicle owners would consider appropriate the answers ranged from 20% to over 50%.

When considering a suitable percentage increase, the office for national statistics, inflation, and prices indices (all items) data had been used as a comparison. Between 2014 and 2023 the sum of the overall Consumer Price Index- including Housing (CPIH) annual rate increase was 27.7%. Inflation had averaged 3.2% a year meaning a two-mile fare in the day that cost £6.00 in 2014 would cost £7.94 in 2023.

Following the results of the survey, the proposed new tariff was set out as Appendix 2 to the report. This would equate to a 30% increase on the current tariffs, which recognised the CPIH increase between 2014 and 2023, as well as allowing a small amount of growth for 2024. There were no proposed changes to the soiling charge or the tariff times. Below, a table of how the revised tariffs would compare with our neighbouring Local Authorities and the National Hackney Carriage Fare Table if the proposed 30% increase was implemented.

Position in National table (As of Jan 24)	Local Authority	2 mil.Fare (in the day)
53	Coventry	£8.00
83	Warwick	£7.65
135	Nuneaton Bedworth	£7.25
158	Rugby	£7.10
197	North Warwickshire	£6.80
235	Stratford	£6.60

Current Neighbouring Local Authorities Hackney Carriage tariffs were attached as Appendix 3 to the report.

If a fare increase was agreed at Cabinet, the table of fares would be advertised in the local newspaper as well as being advertised on the Council website and at the published Council's Head Office (Town Hall) Recognizing the change in locations at present, the Council would also ensure that the notice was placed on the public noticeboard outside the Town Hall and outside Riverside House.

If there were no objections, the proposed fare increase would take effect in May 2024.

If there were objections, these would need to be considered by Cabinet. At that point Cabinet could choose to make modifications to the proposed table of fares in light of the objections received or not.

For future Hackney Carriage fare increases, it was proposed that the trade would be consulted by means of a survey every 18 months from when the

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last increase took place to determine if the HC trade felt a fare increase was appropriate at that time.

In terms of alternative options, the Committee could recommend to Cabinet that the proposed fares were not accepted or they could propose an alternative fare. Both of these would need to include reasons for the proposal, based on the evidence within the report.

In response to questions from Members, the Licensing Team Leader explained that:

- there were 143 Hackney Carriage vehicles in the District, and this number had stayed relatively stable over the last few years. Whilst the Council were not losing many Hackney Carriages, there had been a lot of change since Covid and the popularity of Private Hire apps;
- the proposal was to increase the current starting fare by 30%, with amounts being rounded for ease. She would look at the figure in sections 1.11 and 1.12 to ensure that they had been calculated correctly before the report went to Cabinet;
- the last fare increase was in 2014, and at the time these tariffs were relatively high. Since that time, other local authorities had increased their fares, but Warwick District Council (WDC) had not been petitioned by drivers to increase the fares too. However, going forward, increases in fares would be implemented more frequently than every decade to keep up with cost of living;
- these proposed rates were the maximum that drivers could charge, so they could operate at cheaper rates if they wished. Even with the increase, these fees were still competitive with that of Private Hire vehicles as operators were able to set their own fees;
- if a driver is WDC licensed, they were required to use the set fares. However, the set rate no longer applied once a journey left the boundary of the District;
- WDC had not had any correspondence with Stratford-on-Avon District Council (SDC) regarding their Hackney Carriage fees. SDC had an increase in 2023, but WDC's process might prompt them to review these; and
- officers would be happy to explain to the public the reasons behind the 30% increase to pre-empt any questions regarding such a large increase.

It was proposed by Councillor Kohler, seconded by Councillor King and

Recommended to Cabinet that

- (1) the outcome of the fare increase survey as set out in Appendix 1 to the report be noted; and

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- (2) the proposed fare tariff increase should be approved, subject to the following internal notes for officers:
 - a) the figures contained within the report, especially in sections 1.11 and 1.12, should be reviewed and made clearer ahead of the next Cabinet meeting; and
 - b) any communications via the Council's social media accounts should explain in detail to the public the reasons behind the fare increase.

16. Minutes

The minutes of the meeting of 16 October 2023 meeting were taken as read and signed by the Chairman as a correct record.

17. Minutes of the Licensing & Regulatory Panels

The minutes of following meetings were taken as read and signed by the Chairman as a correct record:

- a) 14 September 2023;
- b) 27 September 2023;
- c) 24 October 2023;
- d) 21 November 2023;
- e) 7 February 2024; and
- f) 14 February 2024.

18. Public and Press

Resolved that under Section 100A of the Local Government Act 1972 that the Public and Press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within paragraphs 1 & 2 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

19. Confidential Minutes of the Licensing & Regulatory Panels

The minutes of the following Licensing and Regulatory Panels were taken as read and signed by the Chairman as a correct record:

- a) 5 October 2023;
- b) 10.00am 14 December 2023;
- c) 11.00am 14 December 2023;
- d) 11 January 2024;
- e) 16 January 2024;
- f) 10.00am 1 February 2024; and
- g) 11.00am 1 February 2024.

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(The meeting ended at 4.56pm)

CHAIR
13 May 2024