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Date: 25 October 2021



Hinckley & Bosworth Borough Council

#### To: Members of the Licensing Committee

Cllr MC Sheppard-Bools (Chairman) Cllr L Hodgkins (Vice-Chairman) Cllr CM Allen Cllr RG Allen Cllr MB Cartwright Cllr WJ Crooks Cllr DT Glenville Cllr MT Mullaney Cllr K Nichols Cllr LJP O'Shea Cllr R Webber-Jones

Copy to all other Members of the Council

(other recipients for information)

Dear member,

There will be a meeting of the **LICENSING COMMITTEE** in the De Montfort Suite, Hinckley Hub on **TUESDAY**, **2** NOVEMBER 2021 at 6.30 pm and your attendance is required.

The agenda for the meeting is set out overleaf.

Yours sincerely

Rebecca Owen Democratic Services Manager

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Thank you

#### LICENSING COMMITTEE - 2 NOVEMBER 2021

# <u>A G E N D A</u>

#### 1. <u>APOLOGIES AND SUBSTITUTIONS</u>

2. <u>MINUTES (Pages 1 - 2)</u>

To confirm the minutes of the meeting held on 31 August 2021.

#### 3. ADDITIONAL URGENT BUSINESS BY REASON OF SPECIAL CIRCUMSTANCES

To be advised of any additional items of business which the Chairman decides by reason of special circumstances shall be taken as matters of urgency at this meeting.

#### 4. DECLARATIONS OF INTEREST

To receive verbally from Members any disclosures which they are required to make in accordance with the Council's Code of Conduct or in pursuance of Section 106 of the Local Government Finance Act 1992. This is in addition to the need for such disclosure to be also given when the relevant matter is reached on the agenda.

5. <u>QUESTIONS</u>

To hear any questions in accordance with Council Procedure Rule 12.

6. <u>TRADE REQUEST FOR TAXI TARIFF INCREASE (Pages 3 - 14)</u>

To consider a request by the Hinckley Area Taxi Association for an increase in the table of fares for hackney carriages.

7. <u>ANY OTHER ITEMS OF BUSINESS WHICH THE CHAIRMAN DECIDES HAVE TO BE</u> <u>DEALT WITH AS MATTERS OF URGENCY</u> This page is intentionally left blank

# Agenda Item 2

## HINCKLEY AND BOSWORTH BOROUGH COUNCIL

# LICENSING COMMITTEE

## 31 AUGUST 2021 AT 6.30 PM

PRESENT: Cllr MC Sheppard-Bools - Chairman Cllr CM Allen, Cllr SL Bray (for Cllr L Hodgkins), Cllr MB Cartwright, Cllr WJ Crooks, Cllr DT Glenville, Cllr MT Mullaney, Cllr K Nichols, Cllr LJP O'Shea and Cllr R Webber-Jones

Officers in attendance: Mark Brymer and Rebecca Owen

#### 127 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors R Allen and Hodgkins with the substitution of Councillor Bray for Councillor Hodgkins authorised in accordance with council procedure rule 10.

#### 128 <u>MINUTES</u>

It was moved by Councillor Cartwright, seconded by Councillor Bray and

<u>RESOLVED</u> – the minutes of the meeting held on 7 October 2020 be confirmed as a correct record.

#### 129 DECLARATIONS OF INTEREST

No interests were declared.

#### 130 GAMBLING ACT 2005 - STATEMENT OF PRINCIPLES (REFRESH)

Consideration was given to the Gambling Policy (Statement of Principles) in light of the recent consultation exercise.

A member queried the period the policy covered as it would go to Council in October 2021 for approval but did not start until 2022. In response, it was explained that the current policy was valid until the end of 2021 and, once approved, the new policy would require a period of advertisement prior to commencement in January 2022.

It was moved by Councillor Cartwright, seconded by Councillor O'Shea and

<u>RESOLVED</u> – Council be RECOMMENDED to adopt the policy.

(The meeting closed at 6.36 pm)

CHAIRMAN

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# Agenda Item 6



# Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

SLT Licensing Committee Executive 5 October 2021 2 November 2021 17 November 2021

Wards affected:

[all wards]

## Trade Request for Fare Tariff Increase

#### **Report of Director of Environment & Planning**

#### 1. Purpose of report

- 1.1 To consider a request by the Hinckley Area Taxi Association for an increase in the table of fares for hackney carriages.
- 1.2 The decision on whether to increase the maximum fare level is an Executive function and the Licensing Committee are therefore being asked to consider the request and provide their views on whether the maximum fare level should be increased.

#### 2. Recommendation

2.1 That the Committee consider the request and provide their view on whether an increase to the maximum fare level is appropriate.

#### 3. Background to the report

3.1 Hinckley and Bosworth Borough Council has received an application from the Hinckley Area Taxi Association for an increase in the table of fares. The Council approved the current fare tariff in 2011, with a further tariff increase request from the trade being refused in 2013. The association has drawn attention in its application to the increase in running costs, the rising price of fuel, the increase in the cost of new vehicles and insurance premiums.

- 3.2 The letter and proposal from Hinckley Taxi Association is shown at Appendix A, this shows the current and proposed fare structures and detail of how the tariffs are calculated. For ease of use the tables show the cost per mile for tariff 1 and 2 and how our fares compare with other local authorities.
- 3.3 Prior to the consideration of this proposal Hinckley & Bosworth Borough Council was placed 253 out of 362 councils nationally in the table of fares published by Private Hire & Taxi monthly July 2021. A representative from Hinckley Taxi Association will attend the meeting to answer questions.

#### The Power of the Authority to Set Fares

- 3.4 Local licensing authorities have the power to set taxi fares and most do so. (There is no power to set Private Hire Vehicle fares.) It is seen as good practice to review the fare scales at regular intervals, including any graduation of the fare scale by time of day or day of the week. The Department for Transport suggests that in doing so local licensing authorities should pay particular heed to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand.
- 3.5 Taxi fares are a maximum, and in principle are open to downward negotiation between passenger and driver. It is not good practice to encourage such negotiations at rank, or for on-street hailing's; there would be risks of confusion and security problems. But local licensing authorities can usefully make it clear that published fares are a maximum, especially in the context of telephone bookings, where the customer benefits from competition.
- 3.6 Hackney carriages have taximeters fitted that are calibrated and sealed. It is not a requirement for private hire vehicles to have meters, although many proprietors choose to install them. There are a number of makes and models of taximeters in use but they must all comply with the Measuring Instruments (Taximeters) Regulations 2006. Whilst meters will vary in sophistication, all are designed to calculate fares by measuring distance and time and will display the incrementally increasing charge as the journey continues and will exhibit the total amount to be paid when the destination is reached.
- 3.8 Taxi fare regulation provides certainty and is intended to protect consumers from overcharging whilst still allowing flexibility for discounting. The Office of Fair Trading has declared that competition should remain on fares and have issued guidance that warns against the formation of cartels.
- 3.9 As already stated, all hackney carriages have taximeters and the fares calculated on those meters cannot be in excess of the council's maximum rate. However, modern taximeters are capable of accepting a number of different rates and indeed many councils will approve more than one 'tier' on its maximum tariff, typically allowing enhanced payments for journeys taken late at night or on Sundays or public holidays.

#### Case Law

An important case in this connection is R v Liverpool City Council, ex parte Curzon Ltd that established two principles:

- 1. That is was lawful for a hackney carriage driver to charge less than the fare shown on the meter; and
- 2. That a proprietor of a hackney carriage could calibrate his taximeter in such a way as to offer a universal discount on the council's maximum tariff.

#### Scale of Fees

- 3.10 The basic methods by which the scales may be varied are:
  - vary charge for initial drop
  - vary charge for subsequent yardages
  - vary distance travelled for initial drop, subsequent yardage or both
  - vary the 'extra charges'
- 3.11 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 states that a district council may fix the rates or fares within the district both for time and distance, (along with all other charges in connection with the hire of a hackney carriage) and sets out the process. The fee setting process can be lengthy (from the date the Council agree a new tariff to the date vehicle meters are updated and the new tariff comes into force) due to the need to advertise any variations to the scale and consider any objections but it does give the public the opportunity to comment. There is also a cost involved in the advertising of the changes.
- 3.12 Once the fares have been set, the meter should be set to the approved rate and it is an offence to charge more than the fare shown on the meter (plus any legitimate extras) although section 54 of the 1847 Town Police Clauses Act allows agreement to be made, in advance of the hiring of a hackney carriage, that a sum less than that shown at the end of the hiring will be paid. Once such an agreement has been made it is an offence for the proprietor or driver to demand more than was agreed in advance, and such an agreement cannot provide for payment of a fare higher than would be shown on the meter (except as detailed in the following paragraph).
- 3.13 When the journey is to end outside the council's area, section 66 of the 1976 Act prohibits a driver demanding a fare greater than that shown on the meter unless such agreement has been made in advance.
- 3.14 The taxi trade's proposal equates to a 20 percent increase on the running mile for proposed Tariff 1 from £ 2.00 to £ 2.40 and Tariff 2 from £ 3.00 to £ 3.60 and 30 percent increase for proposal 2, Tariff 1 from £ 2.00 to £ 2.60 and Tariff 2 from £ 3.00 to £ 3.90. The first proposal seems the most reasonable.

## The Criteria for Setting Fares

- 3.15 As stated in 3.11, Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 allows the council to set the maximum costs and fares that drivers may charge the public for journeys taken in a taxi. In this context "the Council" means the Executive by virtue of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended).
- 3.16 So far as local authorities who do set fares are concerned, there are a number of different practices. These include:
  - review on application
  - assessment purely on basis of application
  - assessment by reference to inflation

Outside London, the standard process in many areas for setting fares is for the trade to put forward a proposal to the council and this is either approved or rejected.

- 3.17 If the Council are minded to grant this increase in the fare structure then it will be necessary to set an implementation date and the proposal will have to be advertised in a local newspaper. Should any objections be received then the council must consider them at a future meeting.
- 3.18 The setting of hackney carriage fare fees needs to be conducted in accordance with legislative provisions. If it can be shown that this has not been followed then the Council may be potentially at risk of judicial review by anybody affected by those decisions.

# 4. Exemptions in accordance with the Access to Information procedure rules

4.1 The report is to be taken in open session.

## 5. Financial implications [MT]

5.1 There are no financial implications arising for the Council from the above proposal.

#### 6. Legal implications [MR]

6.1 Contained within the body of the report.

#### 7. Corporate Plan implications

7.1 A well regulated and enforced taxi service provides reassurance to the public and will contribute to protect people from harm under the People priority. A taxi fleet which is adequately rewarded provides a good level of service for residents and local business assisting economic growth by providing new jobs in the borough supporting the Prosperity priority.

### 8. Consultation

8.1 If new table of fares is approved the table must be published in a local newspaper giving at least 14 days for objections to be received. If objection is duly made 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 objections.

#### 9. Risk implications

- 9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Reputation from negative press coverage from enforcement	Ensure enforcement carried out competently and proportionately and in accordance with enforcement policy.	Mark Brymer
Economy/Community. (Impact of fare increase may have a detrimental effect to the publics use)	The Committee to determine the correct course of action at this time	Mark Brymer

#### 10. Knowing your community – equality and rural implications

10.1 Taxis provide an increasingly important transport option for disabled people. Increases in fares will affect those sections of the community where such transport costs are a significant percentage of their income. Where public transport is not provided or regular, taxis may be the only public transport option for residents in the more remote villages. This can be a significant additional cost for living in rural locations

#### 11. Climate implications

11.1 There will be no additional climate implications as a result of this decision.

#### 12. Corporate implications

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers:

The Local Government (Miscellaneous Provisions) Act 1976 The 1847 Town Police Clauses Act Application from the Hinckley Area Taxi Association for increase in fare tariff Contact Officer: Mark Brymer, ext. 5645

# **Hinckley Area Taxi Association**

## Dear Mark Brymer

I am writing to you regarding consultations I've had with the trade for some time regarding putting an application forward for a tariff increase for the Hackney and private hire taxi trade, the trade within the Hinckley and Bosworth area, have not had a rise since 2015.

The reason for this was after the last rise, the price of fuel actually fell and although the cost of insurance, plate and driver licenses and the cost of living went up, it was deemed that because of the drop in fuel costs, the trade were pretty much holding their own.

The trade were on the brink of putting an application in pre Brexit ,but because we were unsure of the implications this would have on the trade ,for instance oil prices ,car production and obtaining parts for vehicles ,it was decided we hold off to monitor what impact ,if any this would have .However none of us could have contemplated the long drawn out process, this would be .Following this ,none of us expected the pandemic .

The trade have been discussing this for some time and have not taken this decision lightly. Even when train fares and bus fares were rising ,the trade still held off putting the tariff up so as to still provide a fairly priced transport option to those ,where bus and train travel is difficult for different reasons .

The reasons that have made this inevitable are as follows;

 Based on the league tables for the UK, comparing 362 councils, Hinckley and Bosworth are Borough is positioned at 253. Although I do have to add that positions 1 and 2 are airport listings of Heathrow and Luton that are not actually councils. However in recent occasions, we have found it difficult to use just the league table as a comparison due to the fact some of these prices are city based, like London for example. The trade tries to look at the surrounding areas and try to work from this. Looking at current listings, based on a 2 mile journey Charnwood are charging £6.05 and Nuneaton are charging £6.75, with Hinckley and Bosworth currently at £5.60.

- The pandemic has also affected the trade badly. Whilst some of the trade was able to claim furlough payments and government schemes, a lot however, fell through the net. Some hadn't been in the trade long enough to produce accounts and some who are of pensionable age, did not qualify but were still expected to use their pensions to cover business costs. The taxi trade invites drivers of any age .but it has a high level of drivers averaging between 55 and 75 working within the industry at present. We are aware that this unfair system didn't just affect our trade .but unfortunately we were among a long list of industry where this has affected. Due to the lack of financial help during the pandemic, sadly drivers have left the industry to go into other career options .such as retail or delivery drivers. Consequently because the trade lost drivers, some vehicles have been taken off, this inevitably has an impact on company revenue. However I would like to acknowledge that the Hinckley and Bosworth licensing team have been super supportive, by giving drivers who were struggling longer periods to pay plate and driver badge fees.
- Further full lockdowns also impacted the trade, the entertainment industry brings approximately 40% of income to the taxi industry, along with retail day economy bringing another 40%, with both those factors being affected during lockdown, and this had a major impact on revenue.
- We have also noticed a sharp rise in public liability insurance, fuel costs and costings for parts and tyres, which after the pandemic have been harder to source due to delays in production.

The trade are eager to move on and improve by trying to attract younger people into the workforce to provide the professional service we have always

tried to provide to the people of Hinckley and Bosworth area .To enable us to do this ,we need to get revenue flowing into the industry so that we have incentives to offer new people wishing to work within the profession ,like up to date vehicles and booking systems that make operations more reliable and customer friendly, we would also like to rise up from depths of the pandemic by allowing firms that have traded in this area for years to continue . This will be impossible if it's not financially viable.

To help the licencing committee see the existing rates and the proposed rates I have attached the two tables to this application.

# Table 1 existing rates

# <u>Tariff 1</u>

For first	880 yards or part thereof	£2.60		
For ever	y 176 yards or part thereof	20p		
<u>Calcula</u>	tion in mileage			
1 mile	£3.60			
2 miles	£5.60			
3 miles	£7.60			
4 miles	£9.60			
5 miles	£11.60			
Tariff 2	Existing rate			
For the f	first 880 yards or part thereof	£3.90		
For ever	ry 176 yards or part thereof	30p		
Calculation in miles				
1 mile	£5.40			
2 miles	£8.40			
3 miles	£11.40			
4 miles	£14.40			
5 miles	£17,40			

Table 2 Proposed rates

Proposal 1

<u>Tariff 1</u>

For the first 880 yards or part thereof £2.80

For every 176 yards or part thereof24p

Calculation in miles

1 mile £4.00

- 2 mile £6.40
- 3 mile £8.80
- 4 mile £11.20
- 5 mile £13.60

# <u>Tariff 2</u>

For the	first 880 yards or part thereof	£4.20
For eve	ery 176 yards or part thereof	36p
<u>Calcula</u>	ation in miles	
1 mile	£6.00	
2 mile	£9.60	
3 mile	£13.20	
4 mile	£16.80	
5 mile	£20.40	
<u>Propos</u>	<u>al 2</u>	
<u>Tariff 1</u>		
For the	first 880 yards or part thereof	£2.90
For eve	ery 176 yards or part thereof	26p
Calcula	ation in miles	

1 mile £4.20	
2 mile £6.80	
3 mile £9.40	
4 mile £12.00	
5 mile £14.60	
Tariff 2	
For the first 880 yards and part thereof	£4.35
For every 176 yards and part thereof	39p
For every 176 yards and part thereof Calculation in miles	39p
	39p
Calculation in miles	39p
<u>Calculation in miles</u> 1 miles £6.30	39p
<u>Calculation in miles</u> 1 miles £6.30 2 miles £10.20	39p

If the council were to accept one of these proposals, the trade respectfully asks that the, soiling charges, extra charges and Tariff 3 is adjusted accordingly.

We look forward to hearing your decision in due course

Kind Regards

Tina Duane

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