

Response to the Hackney Carriage Emergency Fuel Crisis Consultation

Timetable	
Meeting	Date
Licensing Committee	13 October 2022

Final Decision-Maker	Licensing Committee
Lead Head of Service	John Littlemore, Head of Housing and Regulatory Services
Lead Officer and Report Author	Lorraine Neale, Senior Licensing Officer
Classification	Public
Wards affected	N/A

Executive Summary

To review the responses received in relation to the consultation requested by Licensing Committee on 31st March 2022. The consultation undertaken with the hackney carriage trade asked that they suggest alternative methods of dealing with future fuel emergency crises other than a complete Hackney tariff increase.

Purpose of Report

To advise Members of the responses received from the trade and their suggestions in how future fuel emergency crises could be addressed.

This report makes the following recommendations to the Committee:

1. That consideration be given to the responses submitted by the hackney carriage trade for dealing with any future emergency fuel crises.
2. That should a surcharge be agreed, the Head of Housing and Regulatory Services be authorised to give public notice of the Council's intention to fix the table of fares for Hackney Carriage vehicles in accordance with Section 65(2) of the Local Government (Miscellaneous Provisions) Act 1976 to take effect from October 2022.
3. That should objections be received, this matter be brought back to the Licensing Committee for consideration within two months of publication.

Response to the Hackney Carriage Emergency Fuel Crisis Consultation

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>We do not expect the recommendations will by themselves materially affect achievement of corporate priorities.</p>	Head of Housing & Regulatory Services
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>The report recommendations do not materially impact on the achievement of the cross-cutting objectives.</p>	Head of Housing & Regulatory Services
Risk Management	Already covered in the risk section.	Head of Housing & Regulatory Services
Financial	There are no financial implications .	Senior Licensing Officer
Staffing	We will deliver the recommendations with our current staffing.	Head of Housing & Regulatory Services
Legal	Under Section 65 of The Local Government (Miscellaneous Provisions) Act 1976, the Council may fix the rate for fares for Hackney Carriage vehicles within the Borough, for time, distance and all other charges in	Helen Ward, Lawyer (Contentious), Mid Kent Legal

	connection with hire of the vehicle. To meet the requirements, it is necessary to advertise the agreed variation and allow not less than 14 days for any objections to be made. If objections are made, and not withdrawn, the Council shall consider the objections at a further meeting to determine whether to continue with the variation to the tables of fares with or without modification.	Services, 6 September 2022
Information Governance	The recommendations will impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes.	Information Governance Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities & Communities Officer
Public Health	No public health implications.	Senior Licensing Officer
Crime and Disorder	There is no immediate impact on crime & disorder in accepting the recommendations of the report	Head of Housing & Regulatory Services
Procurement	Not applicable.	Head of Housing & Regulatory Services
Biodiversity and Climate Change	No implications.	Senior Licensing Officer

2. INTRODUCTION AND BACKGROUND

2.1 At the Licensing Committee meeting on 31st March 2022 Members agreed the following hackney tariff fare increases:-

increase in Tariff 1 and the minimum charge from £3 to £3.20 for the first 550 metres.

Then for each additional 115 metres an extra 20p.

Waiting time to go from 20p per 30 seconds to 20p per 28 seconds.

Also a 7.1% increase to Tariff 2 at 1.5 times Tariff 1 and Tariff 3 to be twice tariff 1.

The amended tariff came into effect on 22nd April 2022.

- 2.2 Prior to agreeing the proposal put forward by the Hackney Chair various other methods and ways to increase fares were discussed without resolution. What was agreed was a consultation with the trade where their suggestions to manage future fuel emergency crises were sought.
- 2.3 That consultation took place between 23rd June 2022 and 20th August 2022 (Appendix 1).
- 2.4 There were 2 responses received which are attached as Appendix 2&3.
- 2.5 A summary of the suggestions and Officers comments can be found in the table:-

Suggestion	Officer Comment
Maidstone Borough Council provide subsidised fuel to the Hackney Carriage trade.	This is neither realistic or practical, Maidstone Borough Council are limited by budgetary restrictions and have no facilities for the safe storage of fuel.
Reduce vehicle rental costs	This is not something that is controlled by Maidstone Borough Council . Private hire operators set the rental charges for their vehicles and it would be for them to consider any reduction to their rates.
Hackney trade offer loyalty schemes to encourage regular custom.	This is entirely up to individual drivers and as long as there is no negative impact does not require endorsement from Maidstone Borough Council.
Allow alternative waiting areas/ranks in Town to evenly distribute availability of Hackney vehicles for customers.	The Hackney Trade tend to favour town centre ranks and have never requested additional ranks be considered. Hackney vehicles are allowed to ply and can be hailed so could pick up passengers from any of the suggested locations in the e-mail.
If fuel or electricity rises by more than 10% in less than a month then an extra 20p per fare is charged to cover the extra cost of energy.	<p>This could be considered by Committee and included as a surcharge on the Hackney Carriage tariff table. Consideration would need to be given to making sure it is not misused and a practical fuel surge trigger point be considered.</p> <p><u>Fuel prices</u> At the time of the fare increase in March 2022 Diesel £173.9p Petrol £160.9p</p> <p>Currently Diesel £183.9p Petrol £175.9p</p> <p>Between those two dates there was a surge in prices to Diesel £197.9p Petrol £187.9p</p> <p>Currently the proportion of electric/hybrid vehicles licensed as hackneys is 4% so fuel increases may not necessarily affect them but rising energy costs will.</p>

- 2.6 Fuel prices have continued to rise since the Hackney fare tariff prices were agreed in March 2022 and it is not envisaged that they will fall in the near future. Should a future surge in energy prices occur a surcharge may help lessen the impact of the effect on the trade for a short period but would not be as effective if prices continued to rise.
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3. AVAILABLE OPTIONS

- 3.1 To agree to a 20p surcharge which will come into effect should energy or fuel increase by 10% in less than a month.
- 3.2 To consider alternative means to cover future emergency fuel crises.
- 3.3 To do nothing.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Members consider the contents of the report and determine whether a surcharge should be agreed.
- 4.2 The setting of fares is a statutory duty placed upon the Council and it is the Council's responsibility to strike a balance between setting a fare that is acceptable to the customer and to the taxi driver.
- 4.3 It is important that the Council through its licensing functions protects the public by ensuring that the fares charged by licensed Hackney Carriages are fair and justified and not excessive.
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5. RISK

- 5.1 Any increase to Hackney Fares does not create risk to the Authority but may create a risk to the Hackney trade if the public consider the charges to be too expensive and result in less work for the hackney carriage trade.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 N/A
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Should Members be minded to approve a surcharge, the Head of Housing and Community Services, be authorised to publicise the proposed agreed increase, and if no objections are received, the proposed surcharge takes effect no less than fourteen days from the date of publication. The Hackney tariff fare table will be amended and the trade notified.
- 7.2 Should objections be received, this matter is brought back to this Committee for consideration within two months of publication.
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8. REPORT APPENDICES

- Appendix 1: Consultation e-mail 23.06.22
 - Appendix 2: Response Mark Adams 25.06.22
 - Appendix 3: Response Neil Cox – Hackney Chair 10.08.22
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9. BACKGROUND PAPERS

[Licensing Committee 31st March 2022](#)