

4. Review of Hackney Carriage Fares

Tom Charlesworth, Licensing Officer:

- a) presented a report to the Licensing Committee for consideration of two options from Hackney carriage proprietors, to increase the fares for Hackney Carriages in Lincoln
- b) explained the background to the report covering the main following points:
 - Highlighted that the last fare increase took place in March 2019 and the current tariff was shown at Appendix A to the report entitled 'Hackney Carriage Table of Maximum Fares'.
 - Explained that under option 1, submitted by Simon Hearn, Hackney Carriage Proprietor, there would be the same number of rates as the current tariff i.e, 4 rates but sought a fare increase to both rate 1 and rate 2. If agreed by the Council, rate 3 and rate 4 would also change as rate 3 was charged at rate 1 plus 100% and rate 4 was charged at rate 2 plus 100%.
 - Highlighted that under option 2, submitted by Sultan Mohamadi, Hackney Carriage Proprietor, the option was for a tariff that contained 5 rates. The significant difference from the current tariff was the inclusion of an extra 'night' rate (daily from 9pm to 6am) for when there were more than 4 passengers in the vehicle. This formed part of the newly proposed rate 3.
 - Stated that all hackney carriage proprietors and drivers were consulted and were asked if they had a preference between the two options, or if the current tariff should instead, remain in operation.
 - Added that option 1 received the least votes. Of those consulted, 21 were in favour of option 2, 10 were in favour of option 1, 1 was in favour of the current tariff remaining in operation and there were 4 abstentions.
- c) welcomed comments and questions from the Committee

As a result of discussion between members, officers and guest speakers, the following points were made: -

- Confirmation was sought that there was an intention to add a fuel surcharge and it was confirmed that a fuel surcharge would be applicable.
- It was confirmed that there was difficulty in drawing comparisons between Hackney Carriage fares and private hire charges due the majority of private hire operators using a zonal system for their charges, as opposed to operating meters..
- Comments were received that the fuel surcharge was in place to protect proprietors, and suggestions were received to consider the charge as a cost-of-living exercise.

- Members asked about the proposed increase in soilage charge under option 2. Members sought clarification on the reason why option 2 sought to increase the charge from £50 to £65 and it was confirmed that the soilage charge would be a maximum amount, not a minimum amount.
- It was noted that the night-time economy accounted for a large proportion of Hackney Carriage business and that a fare could not be refused without a reasonable excuse.
- Proprietors explained that the cost of living, vehicle maintenance, fuel and wear and tear items had increased significantly. In addition, the requirement for electric vehicles was increasing and therefore, costs had risen significantly since the last fare increase in 2019.
- It was noted that drivers within different districts did not have the same vehicle requirements as Hackney Carriage drivers within the city which placed requirements on the specific type of vehicle permitted to be used.
- Officers confirmed that there were thirty Hackney Carriage vehicle licence holders within the city and unless the infrastructure of the city significantly changed, it was not likely to increase.
- It was noted that should members agree to option 2, it would place Lincoln in eighth position on the National Hackney Fares Table August 2022 as seen at page 39, Appendix E to the report.
- Members shared concerns that if Lincoln rose to eighth position on the National Hackney Fares Table, the city would surpass higher wage locations.
- Officers confirmed that a proprietor could negotiate a discounted fare if they wished.
- The presence of Uber drivers in the city was discussed and it was noted that Uber drivers impact Hackney Carriage business, however it was more likely to impact Private Hire drivers.
- The cost of a Hackney Carriage vehicle was discussed with a proprietor having paid £37,000 in 2019 for a vehicle appropriate to operate as a Hackney Carriage. It was confirmed that an electric vehicle would cost approximately £70,000 in comparison to a private hire Mercedes-Benz which would cost approximately £45,000.
- Officers confirmed that private hire drivers were required to give 7 days' notice of fare increases. In comparison, Hackney Carriage drivers had a considerably longer process which included Committee involvement.
- The night rate proposal was discussed, and it was confirmed that private hire drivers charged a night rate from 18:00. Hackney Carriage drivers had to wait at present until 23:00 for an increased rate.
- Officers confirmed that a comparison of Lincoln's current fares and both options with other local authorities could be seen at 13.8 of the report.

The Chair thanked Tom for a thorough report and welcomed comments and discussion prior to recommendations. The following comments emerged from discussions held:

- Committee procedure and timetable for any change in present fare structure could be seen at 14.1 to the report.
- It was noted that once approval had been granted at Full Council, a period of advertisement would occur to allow fourteen days for any objections to be received. This meant the earliest implementation of a new tariff if no objections were received would be no later than November 2022.

- Consideration was given to the unit of measurement in which the calculated cost is currently derived from.
- Members commented that UK road signs display distance in miles and yards and as such, there was 1760 yards in one mile. It was added that one mile was not equally divisible by metres and odometers were calibrated in miles per hour.
- Proprietors commented that should yards and miles be used a unit of measurement, it would necessitate the need for small amounts of cash for fares that are not charged in whole pounds.
- Members commented that not all customers worked in both metric and imperial measurements and that a greater number of people used metric measurement. It was added that both measurements could be included on the Hackney Carriage tariff sheet.
- Officers confirmed that the unit of measurement should be yards, not metres and members confirmed that the incremental price per tenth of a mile could be changed.
- Tariff sheets could benefit from a display in miles with metres in brackets.
- Members sought confirmation of the percentage of customers who opted for card payment, and it was confirmed that this was approximately 80%. Therefore, the majority of customers would not need to carry small amounts of coins.
- It was added that calibration of meters to yards would carry an approximate cost of £40.
- It was agreed that the conversion would be carried out by the Licensing Officer.

RESOLVED that approval be agreed for Option 2, proposed by Sultan Mohamadi, Hackney Carriage Proprietor to proceed to full Council for implementation. In addition, the unit of measurement would be in miles and yards, changed from metres.

Councillor Gary Hewson wished it recorded that he voted against the decision.