

**Manchester City Council
Report for Resolution**

Report to: Licensing and Appeals Committee – 4 June 2018

Subject: Amendment to Hackney Carriage Fare Review 2018

Report of: Head of Planning, Building Control and Licensing

Summary

The report provides the Committee with additional information in relation to recommended changes to the Executive with regard to the Hackney Carriage Fare Review 2018. This information was not available from Manchester Airport Group prior to the original Report being published on 24 May 2018.

Recommendations

1. The Committee agree to recommend to the Executive (in additional to recommendations (i)–(iii) from the original report) that the following immediate change is made to the current fare card:

- (iv) Introduction of drop off charge at Terminal drop off forecourts of £1.80.
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Wards Affected: All

Manchester Strategy Outcomes	Summary of the contribution to the strategy
A thriving and sustainable City: supporting a diverse and distinctive economy that creates jobs and opportunities	The hackney carriage fare is normally reviewed annually by the City Council and takes into account the cost associated with setting up and maintaining a business as a taxi proprietor/driver to ensure it is viable and sustainable. This strives towards security in driver jobs and a higher standard of vehicle. The standard of vehicles assists the performance of the regional economy in relation to the purchase and maintenance of vehicles.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Not applicable to the contents of this report.

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The fare report seeks to ensure that hackney carriage drivers and proprietors do not have to bear additional costs that they cannot recover through the fares, ensuring they can operate equitably and maintain access to all the ranks at various transport terminals, enabling our fully accessible transport offer to continue end to end.
A liveable and low carbon city: a destination of choice to live, visit and work.	<p>The consideration of hackney carriage fares should take into account the standard of living of those associated with taxi licensing and the cost to the 'taxi user'. Any increase in fares is a direct cost increase to service users. Any decrease in fares is a direct cost decrease for those associated with the taxi trade.</p> <p>There is currently no detailed evidence to support the public concept of the cost associated with hiring a hackney carriage vehicle. It is therefore proposed consideration be given that future Unmet Demand Surveys should be more inclusion in relation to public consultation.</p>

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None

Financial Consequences – Capital

None

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Background documents

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Hackney Carriage Fare Report – 4 June 2018

1. Additional Information

- 1.1. Further to the Hackney Carriage Fare Report June 2018 published on 24 May 2018, this amendment is submitted for additional consideration by the Committee.
- 1.2. Manchester Airport Group (MAG) has recently proposed changes to the drop off forecourts, and are implementing a new charging regime for all vehicles dropping off at their terminals, to be monitored by an ANPR system. These changes are due to go live mid-June 2018.
- 1.3. The charging system will be:
 - £3 for a drop off of up to 5 minutes
 - £4 for a drop off of 5 - 10 minutes
 - Disabled Blue Badge Holders (and vehicles carrying these passengers) will not have to pay the charge
 - All Commercial User Groups (Hackneys, Private Hire, Offsite Park & Ride etc.) will be able to apply for a 40% discount which would amount to charges of:
 - £1.80 for up to 5 minutes
 - £2.40 for 5 - 10 minutes
- 1.4. It was not realised by MAG that the Hackney Trade would not be able to pass on the additional charge to the customer without the change being considered as part of the Hackney Carriage Fare Review.
- 1.5. Following discussions with the Licensing Unit, MAG have clarified that they are unable to introduce a separate charging model for Manchester Hackney Vehicles and they consider it reasonable and equitable for all commercial users to be charged the same rates. MAG are keen to be consistent with all user groups.
- 1.6. MAG have been keen to point out that other airport drop off charges do not provide any level of discount for Taxis, and the objective of these changes is to address congestion and change customer behaviour to support this, by making it more attractive to access the free drop off zones within the airport.
- 1.7. MAG have however acknowledged that until any changes can be made to the Hackney Carriage Fare card, the trade face a period of time where they would be at a financial loss for dropping off at the terminal forecourt if this is where the customer would prefer. Therefore MAG have stated they will find an interim workaround to enable Manchester licensed Hackneys to access the drop off forecourts free of charge until early July 2018.

2. Considerations

- 2.1. Officers have considered the options for customer charges and have taken into account that it may be difficult for Hackney Carriage Drivers to determine and charge the correct amount prior to attending at the ANPR exit barrier.

2.2. It is considered that there may be considerable administration at excessive cost, if disputes arise from drivers applying the higher rate incorrectly and/or customers believing they are being charged the higher rate of £2.40 when they shouldn't be. As Hackney Carriage Drivers will be able to pass the cost on to the customer there is also a disincentive to move through the drop off area more quickly, working against the need to reduce congestion.

2.3. It is also considered that the risk of customers being longer than 5 minutes to exit the vehicle with their luggage and pay the fare is relatively low. Where customers have disabilities and may require more time, the charge will not apply in those circumstances.

3. Recommendation

3.1. In consideration of the above, it is recommended that an extra charge of £1.80 be introduced onto the Fare Card for drop off forecourts at the Airport.

4. Other legal implications

4.1 There are no additional legal implications to consider.

5. Key Policies and Considerations

(a) Equal Opportunities

Not applicable to the content of this report

(b) Risk Management

There are no risk management issues in relation to this report

(c) Legal Considerations

There are no legal considerations other than those already highlighted within the report.

6. Conclusion

6.1 The report provides additional information with regard to recommended changes to the Hackney Carriage Fare Card. The final position of MAG was confirmed after the Hackney Carriage Fare Review Report June 2018 was published.

6.2 The report recommends that the Committee agree to make a recommendation to the Executive (in addition to recommendations (i)–(iii) from the original report) that the following immediate change is made to the current fare card:

(iv) Introduction of drop off charge at Terminal drop off forecourts of £1.80.