## **DRAFT**

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

## **LICENSING COMMITTEE**

# MINUTES OF THE MEETING HELD ON TUESDAY, 20 MARCH 2012

**Councillors Present**: Peter Argyle, Jeff Beck (Chairman), Adrian Edwards, Manohar Gopal, David Holtby, Tony Linden, Mollie Lock (Vice-Chairman), Geoff Mayes, Andrew Rowles, Quentin Webb and Laszlo Zverko

**Also Present:** Paul Anstey (Environmental Health & Licensing Manager), Sarah Clarke (Team Leader - Solicitor), Jason Teal (Performance, Research & Consultation Manager) and Amanda Ward (Licensing Officer),

**Apologies for inability to attend the meeting:** Councillor Paul Bryant, Brian Leahy and Councillor leuan Tuck

#### **PART I**

#### 11. Minutes

The Minutes of the meeting held on 13 December were approved as a true and correct record and signed by the Chairman, subject to the following amendments:

<u>Item 10, page 2, penultimate paragraph</u> – it was noted that the tenses had been mixed up.

Councillor David Holtby commended the quality of the minutes produced by the officer involved.

The Committee noted that there was an outstanding action from the previous meeting for officers to prepare a brief report to agree the procedure for submitting a response to the Government's consultation on taxi legislation. The Chairman updated the Committee that information had not as yet been released by the Home Office, and as such, officers were still awaiting further guidance. A further update would be provided at the next Committee meeting.

#### 12. Declarations of Interest

There were no declarations of interest received.

#### 13. Taxi Tariff 2012/13

The Committee considered a report (Agenda Item 4) informing members of a request from the taxi trade for an increase in the taxi tariff (fare) for 2012/13, introduced by Paul Anstev.

Paul Anstey drew the Committee's attention to the tables on pages 10 and 11, outlining how West Berkshire's fares currently related to neighbouring and nearby districts. The actual request submitted – both the reasoning and the modelling of fares at different tariffs - were provided in appendix B and C of the paper

He then directed the Committee to section 4 of the report highlighting the percentage increase in each tariff favoured by the trade submission, of between 12.00% and 3.32% (tariff 1), between 8.57% and 4.61% (tariff 2) and between 6.67% and 2.68% (tariff 3), compared to the CPI / RPI.

He noted that it was a reasonable request for the trade to ask for a change, and it was for Members to consider whether the proposal itself was reasonable, or what other steps the Committee might wish to take.

Councillor Jeff Beck noted there were representations from the trade: one sector asking for an increase; the other asking for fares to remain unchanged.

(In accordance with paragraph 7.12.14 of the Council's Constitution, the Chairman proposed suspension of standing orders to allow members of the trade to participate in the discussion and respond to questions committee members might have. This was seconded by Councillor David Holtby and the Committee voted in favour of this proposal).

Three trade representatives wished to speak and a five minute time limit per speaker was set.

Mr Andrew Lutter (Chair of the West Berkshire Hackney and Private Hire Association), representing approximately a third of members and plate holders to whom licences were issued, addressed the Committee.

Mr Lutter began by noting that these were difficult times for everyone – not least the taxi trade. In particular he noted that:

- Last year's increase in fares had not covered inflation.
- There were more taxis operating in the area than he would like to see and the lack of a cap on the number of licenses did not help the profitability of the trade.
- Insurance premiums had gone up significantly over the past year with 2% of a vehicle's turnover now being subsumed by the increased insurance premiums.
- The price of fuel was continuing to rise with the Savacentre petrol station in Calcot now charging £1.52 for a litre of diesel. He noted that further spikes in fuel prices were expected and that the price of fuel was not expected to fall in the future.
- Over the last two years, the local authority's operator licence renewal for nine licenses had gone up by 740%. Equally, other costs had risen, such as the cost of a Criminal Records Bureau check had risen by 15%.
- The general index of inflation was currently running at over 4% and that the proposed fare increase would enable drivers to make a living and ensure their ability to maintain vehicles in a safe condition.

Mr Lutter noted that the trade was generally receptive to different vulnerable groups – for example, it was not uncommon for fares to be rounded off for older people. He continued that the groups who would largely notice the fare increases would be full expense business customers and those out socialising of an evening.

Councillor Tony Linden commented that he had heard what Mr Lutter had to say and understood the need to cover inflationary increases, but noted that a number of the trade indicated that they did not want any increase in the tariff.

Mr Lutter responded he was pleased people felt empowered in coming forward and that they felt their views would be listened to. He acknowledged there was debate within the Association and the trade more widely.

He noted the petition presented against any increases (appendix E), included 16 people who did not own a car. In this case, they would not be picking up the full operating cost, which was borne by the car owner.

He acknowledged the concern amongst some that fare increases would result in fewer customers; however, his preference was for small increases year on year. He noted that drivers did not have to charge the increase.

Councillor Adrian Edwards queried Mr Lutter's position on fare increases, should the price of fuel decrease. Mr Lutter responded that if there was a decrease in fuel price, this should be reflected in the next annual tariff review.

Councillor David Holtby further explored the issue of how much of a restriction the tariff placed on drivers and asked for Mr Lutter's view on whether the increase had to be charged, or whether discounts could be applied.

(Councillor Andrew Rowles arrived at 6:50pm).

Mr Lutter responded that any driver could offer a discount. Regular runs tended to be fixed price, so would not be affected by any changes in tariff.

Councillor Holtby reconfirmed his view that if the trade found the new tariffs were considered too much, then drivers were at liberty to offer discounts and the increase was not a restriction for the trade.

Councillor Quentin Webb highlighted the cost of diesel, which had risen by 7% over the last year. He sought assurance from Mr Lutter that the costs per mile were between 21p and 33p. Mr Lutter said the trade worked on an average cost of 25p a mile, because most trips tended to be urban.

Councillor Webb queried the use of four decimal places to work out the distance travelled (yardage) in the 'accepted' proposal and not in the alternative 'rejected' proposals'.

Mr Richard Brown (Vice-Chair of the West Berkshire Hackney and Private Hire Association) responded that the figures were devised by Brian Rowlands (Chair of the National Taxi Association). The point was to revise the meter rise so that the increments were consistent, rather than on two levels as was currently done. The proposal therefore showed an initial flag at £2.80 which then increased at a consistent rate.

The Chairman thanked Mr Lutter and Mr Brown for their contributions and invited Mr Dave Kimber (who had presented the petition against any fare increase) to speak to the Committee.

Mr Kimber introduced himself as a one-man company. He said that the signatures had been gathered as a result of speaking with drivers at a single rank over a period of time. He felt there was a concern amongst some drivers that an increase would be detrimental to the trade itself.

He noted the flag was the first thing customers saw and there was concern that customers would simply get out at seeing this initial price. He stated he had seen a decline in the number of fares from the train station over the past year, with previous customers simply walking as they felt the fares were too high. He felt the trade needed to hold fares in order to persuade people back into taxi cabs.

He acknowledged Mr Lutter's point about increases in various costs associated with owning and driving a car, but that these were not necessarily as substantial as previously cited.

In response to a comment from Councillor Webb, Mr Kimber noted the price per litre of fuel fluctuated but had only gone up by 2p over the course of the year.

Councillor Holtby asked what the impact would be on Mr Kimber if the increase were approved. Mr Kimber responded that he would attempt to charge the pre-rise rate and offer a discount.

Councillor Edwards asked how Mr Kimber would feel about the flag staying as it was, but the increment rising more substantially. Mr Kimber responded that he was more in favour of an increase in the tariff than the flag as this was the first thing a customer saw, and noted.

Councillor Laszlo Zverko asked Mr Kimber to comment more on the numbers of regular customers he had lost. Mr Kimber noted that 12 months ago he had been taking around £1,000 a week in telephone bookings, but that he was currently struggling to get £700 a week. He felt that last year's tariff increase had pushed a lot of people away from taxis.

Councillor Quentin Webb asked Mr Kimber to comment on the cost of insurance. Had he seen the same increases in cost described by Mr Lutter previously? Mr Kimber said he was now paying a smaller premium than previously. He said his premium this year was around £1,400, whereas previously it was over £2,000 for a single car. He added the only difference was that this current year he was insuring a single car, whereas previously he had insured a number of vehicles. He concluded it was simply a case of shopping around.

The Chairman thanked Mr Kimber for his contribution and invited Mr David Oram who represented Cabco to speak to the Committee.

Mr Oram noted that since December, the price of diesel had increased by 6p per litre; his insurance premium had increased by £500 (with 15 years no claims); the cost of servicing vehicles had also increased.

He commented that the fare structure was fair; the increase in fares paid would be minimal within the town, it was the longer journeys which would work out as more expensive. However the increase being proposed was minimal.

Councillor Edwards enquired about the cost of insurance. Mr Oram responded that he shopped around for the best quote, but the cost had increased by £500. He noted that public liability insurance was also added onto his premium, against which coverage for £10m was needed to tender to for school contracts.

Mr Lutter noted that part of the reason for the increase in insurance premiums was a result of fraud within the industry.

Mr Paul Anstey asked the Committee to note that the reference to the need to maintain cars and public safety previously made, needed to be taken with a caveat. Health and safety was part of the license review and the Council therefore had a benchmark to ensure public safety.

(The Chairman reinstated standing orders. Seconded by Councillor Linden)

Councillor Webb stated he had worked on the figures to establish the cost for the taxi trade and when additionally comparing the fares in West Berkshire with other areas, was happy to propose to accept the increase in tariffs put forward by the trade. Councillor Peter Argyle seconded this proposal on the basis that it was irrespective what the tariff was set at, as this was a maximum and individual drivers were able to offer discounts to passengers as they saw fit.

Councillor Edwards agreed that on the basis of what they had heard, there was some justification in accepting an increase in the maximum tariff, but expressed some concern about the proposed rise in the initial flag as noted by Mr Kimber. He noted it was only 30p, but felt that the initial price upon entering a taxi was also a consideration and that it would give the public some reassurance if the flag were to stay as it was at £2.50. Councillor Edwards proposed an amendment to the proposal to leave the maximum flag at £2.50.

Paul Anstey noted that an amendment of this nature would have implications on how the remaining tariffs would be drawn out. This was not something that could be worked out over the course of this meeting and so would have to come back to a future meeting, having looked at the implications on the respective increases should the flag remain.

Councillor Mollie Lock expressed sympathy with the flag issue as the initial amount did strike the passenger when entering a taxi.

Councillor Webb noted that Councillor Edwards' suggestion to leave the flag at £2.50 and amend just the incremental increases would not be as complex as initially described. The algorithm used to calculate the increments remained the same; it would simply be a case of adding 30p to each of the increments. Representatives from the trade agreed this would be the case.

Councillor Holtby remarked that the representatives from the trade had each respectively made a good case. He noted concern about losing custom, but concluded that the ability to offer discounts, should drivers wish, remained. He expressed reservations about the option of leaving the flag unchanged and only increasing the increments, as he felt this could be interpreted as disingenuous by customers.

Councillor Zverko seconded Councillor Edwards' amendment.

The Committee voted on Councillor Webb's proposal to accept the proposed increase in tariff as put forward by the trade. Four members voted for the proposal, four members against (including Councillors Edwards and Zverko). One member (Councillor Rowles) abstained from the vote as he had not been present for the whole discussion. The Chairman voted in favour of the proposal.

**RESOLVED that** the motion for the increase in the taxi tariff for 2012/13 be carried.

## 14. Police Reform and Social Responsibility Act 2011

The Committee considered a report (Agenda Item 5) updating Members on the Police Reform and Social Responsibility Act 2011 and the national consultation on the Late Night Levy and Early Morning Restriction Order provisions contained in the Act, introduced by Paul Anstey.

Paul Anstey stated officers were compiling a West Berkshire Council response to the consultation. Some elements of the proposals fell within the licensing arena. This paper, therefore, distilled those areas of direct relevance for the members' attention.

He noted that in essence, the consultation concentrated on the way in which the licensing authority and the Police could seek to control potential problems associated with licensed premises. The proposed changes were largely in relation to:

- The Licensing Authority would become a Responsible Authority in relation to premises and club premises applications. This would enable the authority to make representations regarding applications and to apply for a review of a Premises Licence or Club Certificate, should it become necessary.
- The impact on health (i.e. around alcohol) could be taken into consideration when reviewing / considering a licence.
- Both the Police and Environmental Health Officers were able to object to a Temporary Event Notice if they considered the activities notified were likely to undermine a licensing objective.
- The proposed introduction of a Late Night Levy would allow authorities to charge Late Night Licences to pay for the cost of extra policing during those hours. Paul Anstey

noted that he did not get the sense that there was potentially a lot of money that could come from this, but some funding may be generated to help alleviate some of the problems associated with some licensed premises.

Paul Anstey said his intention was to circulate the consultation document to members and ask for their responses. Officers would collate all responses to compile and submit a West Berkshire Council response.

Councillor Edwards enquired whether the public had the opportunity to respond. Paul Anstey noted that all consultations are published online and are open to anyone to respond.

Councillor Beck noted that the Council had asked Thames Valley Police for their view on the proposals, but had as yet not received a response. Paul Anstey confirmed they had had no official Thames Valley Police view delivered to as yet.

Councillor Beck noted the Police would be able to claim 70% of the levy, whilst the authority could claim the balance. He noted this may generate a reasonable amount of money to fund, for example, early morning street cleaning.

Paul Anstey noted there were likely to be limitations as to how any funds could be used. Also, there were not a large number of premises in West Berkshire against which a levy could be applied, so he was keen to taper expectations about what could be achieved with a relatively small pot of money.

Amanda Ward said there were currently 75 licensed premises in West Berkshire which traded between midnight and 6.00am. However, the consultation asked what types of premises could be excluded from the levy (such as rural pubs and hotels) and in identifying likely exemptions, would bring the number of premises to which this could be applied to around 30.

**RESOLVED that** Paul Anstey would circulate the consultation document electronically to committee members asking for responses by 5 April. Paul Anstey would then compile a response on behalf of the Council as a whole and submit to the Home Office.

#### 15. Live Music Bill

The Committee considered a report (Agenda Item 6), bringing to the attention of committee members the provisions of the Live Music Bill, introduced by Paul Anstey.

In essence, the Bill was about the deregulation of live music – reducing the circumstances for which a live music licence application was required. The Bill provided different levels of regulation depending upon whether the music was amplified, or the hours within which it was being played.

Paul Anstey highlighted the implication that the Bill transfers the onus of responsibility from the licensing to environmental health. In doing so, this moved the authority from being able to proactively manage activity, to reactively managing problems as / when they occur. He noted that his view was that the changes made a lot of common sense, but that members should note this change in emphasis.

Councillor Mollie Lock asked when this would likely come into force. Amanda Ward replied that although it had received Royal Assent, no specific date for implementation had been set by the Home Office.

The report was duly noted by the Committee.

CHAIRMAN	
Date of Signature	