

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Registration and Licensing Committee

11th September 2017

Report of the Head of Legal Services – David Michael

Matter for Information

Wards Affected: All

Hackney Carriage Fare Increase

Purpose of the Report

1. To provide information to members in respect of a request to increase the maximum permitted fare level which a hackney carriage may charge.
2. To discuss members views on whether an increase in appropriate.

Executive Summary

3. To provide information to members in respect of a request to increase the maximum permitted fare level which a hackney carriage may charge.
4. The decision on whether to increase the maximum fare level is an Executive function and therefore cannot be made by the Registration and Licensing Committee.
5. The Registration and Licensing Committee are therefore being asked to consider the request and provide their views on whether the maximum fare level should be increased.

Background

6. The Local Government (Miscellaneous Provisions) Act 1976 allows the Council to set a maximum fare for hackney carriages.
7. The fare applies to distance, time and all other charges in connection with the hire of a vehicle.
8. The Council has already set a maximum permitted fare, and has published a table of fares, which is displayed in all hackney carriage vehicles. The current table of fares, last amended on the 1st May 2011, is attached at appendix 1.
9. The Neath Port Talbot Proprietors Association has submitted proposals for an increase to the maximum fare level; these proposals are attached at appendix 2.
10. The request is to consider increasing the maximum fare that can be made. Hackney carriage proprietors do not have to set the fare at the maximum level, but most do.
11. The setting of fares under the Local Government (Miscellaneous Provisions) Act 1976 is an Executive function, and therefore any decision to amend the maximum permitted fare must be an executive decision.
12. The Registration and Licensing Committee are therefore being asked to consider the request, and to provide their views on whether the maximum fare level should be increased.

Officer Report

13. When considering whether an increase in the maximum fare level is justified. It is suggested that the following cost factors are taken into consideration:
 - Petrol/diesel prices
 - Insurance costs
 - Licence fee costs
 - Inflation

14. Petrol / Diesel Prices - in May 2011 the average U.K cost of unleaded petrol was £136.7p and diesel £141.5p. The current prices of unleaded and diesel are £114.7p and 115.4p respectively. This represents a 16% reduction in the cost of unleaded petrol and an 18% reduction in the cost of diesel.
15. Insurance costs - enquiries with a local insurance broker revealed that in 2011 a new single vehicle insurance policy for a new driver would have cost approximately £2000. The same insurance policy in 2017 would cost approximately £3200; a 60% increase.
16. Licence fee costs - Licence fees payable to the Council in respect of proprietors licences i.e. vehicle fees, have not changed since 2011.
17. Inflation - the Consumer Price Index (CPI) is the official measure of inflation of consumer prices of the United Kingdom.; there has been an 11.2% rise since 2011.
18. A consultation exercise has been carried out with the hackney carriage proprietors. The consultation resulted in 13 responses being received; these are attached at appendix 3.
19. 5 responses were opposed to any increase, 5 were in favour of the increase and 3 presented their own proposals for an increase.

Equality Impact Assessment

20. Not applicable

Legal Impacts

21. Not applicable

Risk Management

22. Not applicable

Consultation

23. A consultation exercise has taken place with the hackney carriage proprietors.

24. Where a decision is taken by the Executive to increase the maximum fare, the proposed increase must be advertised on one occasion in a local newspaper for a period of at least 14 days; any objections must then be considered before the increase can become effective.

Recommendation

25. That members consider the request and provide their views on whether an increase to the maximum fare level is appropriate.

Implementation of Decision

26. A report will be provided to the Executive for determination.

Appendices

27. Appendix 1 - Existing NPTCBC table of fares
28. Appendix 2 - Neath Port Talbot Proprietors Association request for a fare increase.
29. Appendix 3 - Consultation responses.

List of Background Papers

None

Officer Contact

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