

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet

27th September 2017

Report of the Head of Legal Services – David Michael

Matter for Decision

Wards Affected: All

Hackney Carriage Fare Increase

Purpose of the Report

1. To determine a request from the Neath Port Talbot Proprietors Association, for a hackney carriage fare increase.
2. To consider delegating the power to officers for determining all future requests for a variation to the maximum hackney carriage fare.

Executive Summary

3. Licensing is generally a non-executive function and as such the responsibility for determining licensing matters is dealt with by the Registration and Licensing Committee.
4. There are however two areas where the Council's Executive has the decision making power, these are: determining whether to adopt hackney carriage stands (ranks), and determining the maximum fare for which a hackney carriage may charge.

5. A request has been received from the Neath Port Talbot Proprietors Association for an increase to the existing maximum fare for which a hackney carriage may charge.
6. An information report has already been presented to the Registration and Licensing Committee and the views of the committee have been obtained.
7. Cabinet is being asked to consider whether there should be an increase to the existing maximum fare and if so, to determine the maximum fare amount.
8. Cabinet is also being asked to consider delegating the power to set a hackney carriage maximum fare to officers. Such decision to be determined upon receipt of the views of the Registration and Licensing Committee.

Background

9. The Local Government (Miscellaneous Provisions) Act 1976 allows the Council to set a maximum fare for hackney carriages. The fare applies to distance, time and all other charges in connection with the hire of a vehicle.
10. The Council has already set a maximum permitted fare, and has published a fares table which must be displayed in all hackney carriage vehicles. The current fare table was last amended on the 1st May 2011 and is attached at appendix 1.
11. The Neath Port Talbot Proprietors Association has submitted proposals for an increase to the maximum fare level; these proposals are attached at appendix 2.
12. 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.

Officer Report

13. 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.

14. 5 responses were opposed to any increase, 5 were in favour of the increase and 3 presented their own proposals for an increase.
15. An information report was presented to the Registration and Licensing Committee on the 11th September 2017 where members were asked for their views in relation to the request.
16. In reaching a view, members of the Registration and Licensing Committee took into consideration the following cost factors:
 - Petrol/diesel prices
 - Insurance costs,
 - Licence fee costs
 - Inflation
17. 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.
18. 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.
19. Licence fee costs - Licence fees payable to the Council in respect of proprietors licences i.e. vehicle fees, have not changed since 2011.
20. Inflation - the Consumer Price Index (CPI) is the official measure of inflation of consumer prices of the United Kingdom; there has been a 11.2% rise since 2011.
21. The Registration and Licensing Committee concluded that despite the fact that petrol/diesel costs had reduced, in general the cost of living had increased since 2011. It was therefore the Committee's view that an increase was appropriate.
22. The agreed view of the Registration and Licensing Committee was to increase the starting rate on Tariff 1 by 25p to £2.65 and the starting rate on Tariff 2 by 30p to £3.30.

23. The Registration and Licensing Committee felt that the requests for an extension to the hours for which Tariff 2 applies and the extension to the days for which Tariff 3 applies over the Christmas and New Year period, were not justified.
24. A proposed tariff table which includes the increase outlined above is attached at appendix 4.

Delegated Authority

25. It is proposed that all future requests for a variation to the maximum hackney carriage fare be delegated to the Director of Finance and Corporate Services and the Head of Legal Services, subject to:
 - A report being presented to the Registration and Licensing Committee by the Licensing Manager, seeking their views on any request for a variation, and
 - That the views of the Registration and Licensing Committee are duly taken into consideration by officers when determining the request.

A Equality Impact Assessment

26. A Screening Assessment has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. After completing the assessment it has been determined that this proposal does not require an Equality Impact Assessment. The Screening Assessment is attached at Appendix 5.

Legal Impacts

27. Not applicable

Risk Management

28. Not applicable

Consultation

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

30. Where a decision is taken by members 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

31. That cabinet approve an increase to the maximum hackney carriage fare of 25p on the starting rate of Tariff 1 and 30p on the starting rate of Tariff 2.
32. That the power to determine any future requests for a variation to the maximum hackney carriage fare be delegated to the Director of Finance and Corporate Services and the Head of Legal Services subject to:
 - A report being presented to the Registration and Licensing Committee by the Licensing Manager, seeking their views on any request for a variation, and
 - That the views of the Registration and Licensing Committee are duly taken into consideration by officers when determining the request.

Implementation of Decision

33. The decision is proposed for implementation after the 3 day call in period.
34. The new maximum hackney carriage fare will become effective following the completion of the statutory consultation requirements.

Appendices

35. Appendix 1 - Existing hackney carriage fare
36. Appendix 2 - Neath Port Talbot Proprietors Association request for a fare increase.
37. Appendix 3 - Consultation responses.
38. Appendix 4 - Proposed hackney carriage fare
39. Appendix 5 - Equality Screening Assessment

List of Background Papers

40. None

Officer Contact

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