

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Policy and Resources Cabinet Board

24th January 2018

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.

Executive Summary

2. 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.
3. 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.
4. 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.
5. An information report has already been presented to the Registration and Licensing Committee and the views of the committee have been obtained.
6. A report was considered by Cabinet on the 27th September 2017 where it was determined that a further consultation exercise be

undertaken and that the Equality Impact Assessment be re-visited. Cabinet also determined that the Leader of the Council together with the appropriate Cabinet Member be given delegated authority to determine the proposal.

Background

7. 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.
8. 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.
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.

Officer Report

11. An initial consultation exercise in summer 2017 was carried out with the hackney carriage proprietors. This consultation resulted in 13 responses being received.
12. 5 responses were opposed to any increase, 5 were in favour of the increase and 3 presented their own proposals for an increase.
13. An information report was subsequently presented to the Registration and Licensing Committee on the 11th September 2017 where members were asked for their views in relation to the request.
14. 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

15. 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.
16. 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 £2,000. The same insurance policy in 2017 would cost approximately £3,200; a 60% increase.
17. Licence fee costs - Licence fees payable to the Council in respect of proprietors licences i.e. vehicle fees, have not changed since 2011.
18. 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.
19. 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.
20. The 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.
21. 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.
22. A proposed tariff table which reflects the view of the Registration and Licensing Committee is attached at appendix 3.
23. Following the decision of the Cabinet meeting on the 27th September 2017 a second consultation exercise has been undertaken, which specifically focused on the increase outlined above. The consultation was with all licensed drivers, proprietors and operators.
24. This consultation resulted in 83 responses being received. 29 (35%) respondents were in support of an increase and 54 (65%) respondents were opposed to an increase. A summary of responses is attached at appendix 4.

A Equality Impact Assessment

25. 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

26. Not applicable

Risk Management

27. Not applicable

Consultation

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

30. That Cabinet members determine to refuse an increase to the maximum hackney carriage fare at this time, as this is the view of 65% of respondents.

Implementation of Decision

31. The decision is proposed for implementation after the 3 day call in period.

Appendices

32. Appendix 1 - Existing hackney carriage fare
33. Appendix 2 - Neath Port Talbot Proprietors Association request for a fare increase.
34. Appendix 3 - Proposed hackney carriage fare

- 35. Appendix 4 - Summary of consultation responses
- 36. Appendix 5 - Equality Screening Assessment

List of Background Papers

- 37. None

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