

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **Cabinet**

10 July 2019

### **Report of the Head of Legal Services – C.Griffiths**

#### **Matter for Decision**

#### **Wards Affected: All**

### **Hackney Carriage Fare Increase**

#### **Purpose of the Report**

1. To determine a request for an increase to the maximum permitted fare for which a hackney carriage may charge.

#### **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. Various requests have been received from the trade requesting 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.

## **Background**

6. 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.
7. The Council has already set a maximum permitted fare, and has published a table of fares which must be displayed in all hackney carriage vehicles. The current table of fares was last amended on the 1st May 2011 and is attached at appendix 1.
8. Various requests have been submitted to the Council requesting that an increase to the maximum fare level be implemented.
9. Should an increase to the maximum permitted fare be approved, hackney carriage proprietors do not have to set the fare at the maximum level, but most do.

## **Officer Report**

10. Officers met with representatives of the various taxi associations and unions that represent the views of drivers and proprietors in Neath Port Talbot. The purpose of the meeting was to try to gain a consensus for the level of increase that should be proposed.
11. Following the meeting, a proposal for an appropriate increase to the maximum permitted fare was drafted by officers.
12. The Registration and Licensing Committee considered a report on the 11th March 2019, seeking their views on the proposed increase and in reaching a view, members took into consideration the following cost factors:
  - Petrol/diesel prices
  - Insurance costs,
  - Licence fee costs
  - Inflation

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 £124.9p and 129.9p respectively. This represents an 8.6% reduction in the cost of unleaded petrol and 8.1% reduction in the cost of diesel.

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 2019 would cost approximately £3200; a 60% increase.

Licence fee costs - Licence fees payable to the Council in respect of proprietors licences i.e. vehicle fees, have not changed since 2011.

Inflation - there has been around a 15% increase in inflation since 2011.

13. Members of the Registration and Licensing Committee determined that the proposed increase was appropriate and the proposal attached at appendix 2 was issued for consultation.
14. The consultation resulted in 45 responses:
  - 31 responded saying that they were in favour of the proposal
  - 1 additional letter of support was on behalf BAMETA (Black Asian Minority Ethnic Taxi Association) which represents the views of 20 of its members.
  - 1 wanted a larger increase responding that the tariff 1 starting rate should be £3.00 and the tariff 2 starting £3.50.
  - 1 wanted a larger increase responding that he wholly endorses the price increase and if anything the proposed starting rate should be higher.
  - 1 wanted a larger increase responding that the increase is nowhere near enough but something is better than nothing.
  - 1 wanted an increase but offered the following alternative:
    - Agree with the increase to the start rate on tariff i.e. £2.40 to £2.60, but not to increase the incremental rate. This was to avoid the need for giving pennies as change.
  - 1 wanted an increase but offered the following alternative:

- Agree with the increase to the start rate on tariff i.e. £2.40 to £2.60, but not to increase the incremental rate. This was to avoid the need for giving pennies as change.
  - On tariff 2, this individual agreed with the increase on the incremental rate i.e. 23p to 25p, but wanted to leave the start rate the same i.e. £3.00 not £3.25.
- 1 respondent was undecided, agreeing that taxi drivers need an increase but that an increase may deter customers from using taxis.
  - 7 responded saying that they were opposed to any increase.

15. A proposed table of fares is attached at appendix 3.

### **Financial Impacts**

16. If approved, the Council will need to publish a notice on one occasion in a local newspaper; these costs are recoverable as part of the hackney carriage vehicle fee.

### **Integrated Impact Assessment**

17. A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016

18. The first stage assessment has indicated that a more in-depth assessment is not required.

19. The first stage assessment is attached at appendix 4

### **Valleys Communities Impacts**

There is the potential for an impact on valley communities, particularly in those areas where there is limited public transport provision. It is likely that where there is an impact, the elderly and those with disabilities will be most affected.

## **Workforce Impacts**

20. No implications

## **Legal Impacts**

21. No implications

## **Risk Management Impacts**

22. No Implications

## **Consultation**

23. A consultation exercise has taken place with the hackney carriage proprietors.
24. 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.

## **Recommendations**

25. That members approve the proposal to increase the maximum permitted fare for which a hackney carriage may charge to:
26. Tariff 1  
£2.60 for the 1st 7/10th mile  
£0.22p per 1/10th mile thereafter  
Applies at all times other than when Tariff 2 or Tariff 3 applies
27. Tariff 2  
£3.20 for the 1st 6/10th mile  
£0.25p per 1/10th mile thereafter  
Applies between 23:00 and 07:00 on any day, between 18:00 and 23:59 on Christmas Eve and New Years' Eve, on Boxing Day (where Boxing Day falls on a Saturday), on Sundays and Bank Holidays

28. **Tariff 3**  
Tariff 3 is to remain at 100% surcharge on Tariff 1 - New Years' Day and Xmas Day only
29. **Extra Charges**  
No changes proposed to soiling (max £100) or additional cost for passengers exceeding 4 (50p per passenger)

### **Implementation of Decision**

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

### **Appendices**

31. Appendix 1 - Existing hackney carriage table of fares
32. Appendix 2 - Proposed increase to the maximum permitted fare
33. Appendix 3 - Proposed hackney carriage table of fares
34. Appendix 4 - First stage assessment

### **List of Background Papers**

35. None

### **Officer Contact**

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