

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

18 DECEMBER 2018

### REPORT OF THE HEAD OF LEGAL AND REGULATORY SERVICES

#### LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT SECTION 65 POWER TO FIX FARES FOR HACKNEY CARRIAGES

#### OBJECTIONS TO THE PROPOSAL TO AMEND THE HACKNEY CARRIAGE FARES TARIFF

##### 1. Purpose of report

- 1.1 To consider objections to the proposal approved by Cabinet on 23 October 2018 to vary the current Bridgend County Borough Council's rate of hackney carriage fares.

##### 2. Connection to corporate improvement objectives/other corporate priorities

- 2.1 This report assists in the achievement of the following corporate priority/priorities:

- Supporting a successful economy – taking steps to make the county a good place to do business, for people to live, work, study and visit, and to ensure that our schools are focused on raising the skills, qualifications and ambitions of all people in the county.

##### 3. Background

- 3.1 Bridgend County Borough Council regulates the maximum fares that can be charged to passengers in hackney carriages within the county borough. This is in accordance with Section 65(1) of the Local Government (Miscellaneous Provisions) Act 1976. The Section requires that any variation of the fare must be advertised in a local paper and that a period of notice of at least 14 days be given to enable any person to make objections.

- 3.2 The current Bridgend County Borough Council table of fares includes a pickup rate (commonly referred to as the flag) when the journey commences, this includes the first half mile of the journey. After this distance, the fare increases by a set amount (commonly referred to as the click) every eighth of a mile.

- 3.3 At the Cabinet meeting of the 5 September 2017, The Head of Shared Regulatory Services reported on three proposals, to vary the current hackney carriage table of fares, received from:

1. Mr James Boland and Mr Richard Parrot
2. Mr Tom Burke
3. Mr Dario Nelson

Cabinet decided to reject the three proposals and recommended the legality and practicalities of consulting on hackney carriage fees with the taxi trade and public be explored.

- 3.4 In light of Cabinet’s decision, officers asked each of the applicants to consider the other proposals with a view to presenting a further single application with support from all parties. However, no consensus could be reached between the applicants. During this period an additional application was received from Mr Peter Renwick of Premier Cars (Cardiff) Ltd.
- 3.5 A letter and response questionnaire was sent out to each of the licensed hackney carriage/private hire vehicle drivers in Bridgend, seeking their views and whether they have a preferred option on the 3 proposals previously considered by Cabinet, and the subsequent proposal received from Mr Peter Renwick of Premier Cars (Cardiff) Ltd.
- 3.6 Letters were sent out to hackney carriage/private hire vehicle drivers in Bridgend, of which the Licensing Department received 67 responses. The responses showed that Proposal 1 was the preferred option, chosen by 34.3% of respondents. 85.1% of respondents indicated that they are in support of at least one of the proposed increases. The table below details the preferred proposal from the responses:

<b>Proposal</b>	<b>No. of Respondents – chosen preferred option</b>	<b>Percentage of Respondents</b>
Proposal 1	23	34.3%
Proposal 2	7	10.4%
Proposal 3	18	26.9%
Proposal 4	9	13.4%
No Change	10	14.9%

- 3.7 A subsequent report was taken to Cabinet on 23 October 2018 which gave details of the proposals and the results of the consultation. Cabinet approved Proposal 1, submitted by Mr James Borland and Richard Parrott, subject to the issuing of a public notice in a local newspaper inviting objections. A copy of the report and relevant considerations are referenced in Appendix A.
- 3.8 In accordance with the Local Government (Miscellaneous Provisions) Act 1976, a public notice was published in a local newspaper on 1 November 2018, inviting objections to proposed fare increase until midday on 16 November 2018. A copy of the notice was also available at the Bridgend Civic Offices during office hours.

#### **4. Current situation/proposal**

- 4.1 The tables set out in paragraph 4.15 of the report to Cabinet on 23 October 2018 contained incorrect figures for the cost of a 5 mile and 15 mile journeys for Proposal 1. Cabinet therefore made their decision when selecting Option 1 on incorrect figures produced in the report.
- 4.2 The table below contains the information as previously provided to Members, with the figures as they should have been in bold. The information contained within the Appendix to the October report and the information that was provided to licensed drivers during the consultation, for which they were asked to provide a preferred option, was correct and as such the results of the consultation are based on the correct figures.

<b>5 mile fare cost</b>	<b>Tariff 1</b> (1-4 passengers)	<b>Tariff 2</b> (1-4 passengers)	<b>Tariff 3</b> (5+ passengers)	<b>Tariff 4</b> (5+ passengers)
Current Bridgend Tariff	£9.70	£12.30	£13.50	£16.30
Mr Borland / Mr Parrott Proposed Tariff (Proposal 1)	£10.80 (Correct: <b>£11.80</b> )	£13.40 (Correct: <b>£13.50</b> )	£14.50 (Correct: <b>£15.60</b> )	£17.40 (Correct: <b>£18.40</b> )
Mr Burke Proposed Tariff (Proposal 2)	£11.50	£14.55	£15.75	£19.00
Mr Renwick Proposed Tariff (Proposal 3)	£11.10	£13.70	£16.40	£18.30
Mr Nelson Tariff (Proposal 4)	£12.20	£14.90* 10pm – 3am £17.40* 3am – 6am	£14.20**	£17.30** 10pm – 3am £19.80** 3am – 6am

<b>15 mile fare cost</b>	<b>Tariff 1</b> (1-4 passengers)	<b>Tariff 2</b> (1-4 passengers)	<b>Tariff 3</b> (5+ passengers)	<b>Tariff 4</b> (5+ passengers)
Current Bridgend Tariff	£25.70	£32.30	£33.50	£40.30
Mr Borland / Mr Parrott Proposed Tariff (Proposal 1)	£32.80 (Correct: <b>£31.80</b> )	£35.50	£39.60	£46.40
Mr Burke Proposed Tariff (Proposal 2)	£31.50	£39.55	£40.75	£49.00
Mr Renwick Proposed Tariff (Proposal 3)	£29.10	£35.70	£41.40	£45.30
Mr Nelson Tariff (Proposal 4)	£32.20	£39.90* 10pm – 3am £47.40* 3am – 6am	£34.20**	£42.30** 10pm – 3am £49.80** 3am – 6am

\*Mr Nelson's proposal includes an additional tariff that operates from 3am – 6am.

\*\*Due to the additional proposed tariffs, the current tariff 3 and 4 would be the equivalent of Mr Nelson's proposed tariff's 4 and 5/6.

- 4.3 Three objections were received to the public notice, detailed in redacted form in Appendix B.
- 4.4 Response 1 is from a member of the trade and objects to the proposed increase on the grounds that the table contained within the report to Cabinet on 23 October 2018 contained incorrect figures for the 5 mile fare cost for Mr Borland and Mr Parrott's' Proposal (Proposal 1).
- 4.5 Response 1 also objects to the proposed increase on the grounds that the chosen proposal includes a varying amount per 'click' depending on the tariff in operation, but there is a set waiting time of 20 pence per minute. Due to the way that pulse taximeters operate, they must be calibrated so that the amounts charged for the waiting time and the click match. In order to calibrate a pulse taximeter to accommodate different amounts for the click and the waiting time, the waiting time must be adjusted accordingly.

For example, Tariff 2 of the proposed variation has a click of 22 pence for every tenth of a mile travelled, but the waiting time is 20 pence per minute. Therefore, to accommodate this tariff the waiting time must be set to increase at intervals of 22 pence every 66 seconds (to maintain the waiting time of 20 pence per minute).

The current Bridgend County Borough Council table of fares includes differing rates for the click, depending on the tariff in operation, but a flat rate waiting time. As a result, pulse taximeters are currently calibrated using the above method and if the proposed tariff were to be implemented, this is the calibration method that would be used for the waiting time.

- 4.6 Response 2 to the public notice is from a member of the trade and contains an email objecting to the proposed increase for hackney carriage fares. A follow up email was sent to the responder asking if they wish to expand on their objection; however, no further email was received.
- 4.7 Response 3 to the public notice is from a member of the trade and objects to the proposed increase. The responder states that the proposed increase will result in customers having to walk or face further hardship to afford a taxi at a time when people are losing their jobs and taxi drivers want extra money when they earn more than the living wage. The responder also states that an increase in the fares would result in the public taking fewer journeys by taxi.
- 4.8 On 23 October 2018, Cabinet resolved that Proposal 1 go forward based on the information contained within that report which was incorrect. Cabinet is now required to consider the objections and determine whether they remain content with the decision to ratify Proposal 1 as the preferred option based on the correct figures, or having reviewed the information regarding the updated figures, to now select a different proposal.

## **5. Effect upon policy framework and procedure rules**

- 5.1 None

## **6. Equality Impact Assessment**

6.1 The proposal has been screened for the potential impact on protected groups within the community and human rights. We do not consider on the basis of the above that a detailed Equality Impact Assessment is required for this proposal at this stage, but the position will be reviewed at the end of the consultation process.

## **7. Well-being of Future Generations (Wales) Act 2015 implications**

7.1 A summary of the implications from the assessment:

- Integration – Taxis form part of the public transport network with environmental and economic benefits for the wellbeing goal of A Prosperous Wales
- Collaboration - Stakeholders within the taxi trade as well as the general public will have the opportunity to consider the application and respond to the consultation
- Involvement - Applications to increase taxi fares involve consultation with the public and any representations will be reported back to Cabinet before a final decision is taken.

## **8. Financial implications**

8.1 This report does not result directly in any additional financial implications.

## **9. Recommendation**

9.1 Members are recommended to:

- a. Note the representations received in Appendix B in consideration of the decision taken by Cabinet on the 23 October 2018 to amend the tariff of fares.
- b. Determine whether to continue with Proposal 1 and introduce a new hackney carriage tariff based on the amended figures set out in this report with an implementation date no later than 2 February 2019.
- c. Select an alternative proposal to go to public notice (and set a date for implementation).
- d. Retain the existing fare regime.

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**Background documents:**

Consultation responses