

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

19 JULY 2022

REPORT OF THE CHIEF OFFICER – LEGAL AND REGULATORY SERVICES, HR AND CORPORATE POLICY

LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT SECTION 65: POWER TO FIX FARES FOR HACKNEY CARRIAGES. APPLICATION TO VARY THE HACKNEY CARRIAGES FARES TARIFF

1. Purpose of report

- 1.1 The purpose of this report is to ask Cabinet to determine an application received from the Bridgend County Hackney Association to increase the current Bridgend County Borough Council's rate of hackney carriage fares.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015**:

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

3. Background

- 3.1 The Council may fix or vary the rate of fares for the hire of a hackney carriage under the provisions of Section 65 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 tariff of fares has been effective since 14 January 2019 and is shown at Appendix A.
- 3.3 An application to increase the rate of hackney carriage fares was submitted to the Licensing Department by the Chairman of the Bridgend County Hackney Association. A copy of the request is attached at Appendix B.
- 3.4 The rate of fares has traditionally been set by the Council following a request from the trade to vary the tariff of fares from time to time. The effect is that, for all journeys within the boundary of the County Borough of Bridgend, the driver must use the taximeter fitted in the vehicle, and must not exceed the authorised fare set by the Council.

3.5 This element of the Council's powers provides a means of consumer protection though transparent charging for hackney carriage fares; a driver is entitled to charge less than the meter fare, but must use the meter and show the meter fare so that the customer is aware of any discount offered.

3.6 Consideration should be given to obtaining a balance between increasing the fare to compensate the increase in costs of running a hackney carriage, and ensuring that the increase does not deter the public from using hackney carriages.

4. Current situation/proposal

4.1 The application proposes increases across all tariffs together with the charge for waiting time.

4.2 The trade body has highlighted the economic impact on the taxi trade of the Covid-19 pandemic together with the current cost of living crisis. The Licensing Section had also received a number of enquiries from individual licensees asking whether the Council would consider a fare increase because of the cost of living/fuel crisis.

4.3 The following tables show the impact of the proposals on each of the current fare tariffs in place. Bridgend County Hackney Association has confirmed the proposals as outlined are correct.

	Current	Proposed	% increase
Tariff 1			
6.00 am to 8.00 pm			
1	£3.80	£4.60	21.05%
2	£5.80	£6.80	17.24%
3	£7.80	£9.00	15.38%
4	£9.80	£11.20	14.29%
5	£11.80	£13.40	13.56%
10	£21.80	£24.40	11.93%
Tariff 2			
8.00 pm to 6.00 am every day			
Bank Holidays (except Christmas Day)			
1	£4.70	£5.50	17.02%
2	£6.90	£7.90	14.49%
3	£9.10	£10.30	13.19%
4	£11.30	£12.70	12.39%
5	£13.50	£15.10	11.85%
10	£24.50	£27.10	10.61%

Tariff 3			
6.00 am to 8.00 pm every day			
5 or more passengers			
1	£6.00	£6.80	13.33%
2	£8.40	£9.40	11.90%
3	£10.80	£12.00	11.11%
4	£13.20	£14.60	10.61%
5	£15.60	£17.20	10.26%
10	£27.60	£30.20	9.42%
Tariff 4			
8.00 pm to 6.00 am			
5 or more passengers			
1	£7.20	£8.00	11.11%
2	£10.00	£11.00	10.00%
3	£12.80	£14.00	9.37%
4	£15.60	£17.00	8.97%
5	£18.40	£20.00	8.70%
10	£32.40	£35.00	8.02%
Waiting Time			
	Expressed at 0.25 per minute = £15 per hour	£20 per hour	

- 4.4 The following table is published by the Private Hire Monthly magazine which collects data on hackney carriage fares in the UK. It uses a 2 mile standard daytime journey as the comparison point. Bridgend is currently ranked at 230th of the 349 Councils setting fares. If Cabinet are minded to approve the increase, the Council will move to the same price range as other Welsh Local Authorities such as the Vale of Glamorgan and Carmarthenshire. We are aware that a number of local Authorities are currently considering fare increases following the pandemic. For this reason, a Council's ranking will change regularly depending on when a fare rise is approved so the table position is given is only for indicative purposes. Source May edition:
<https://www.phtm.co.uk/newspaper/taxi-fares-league-tables>
- 4.5 At the time this report was prepared The AA Fuel Price Report for April 2022 was published and showed that Unleaded prices have fallen from 163.8 p/litre last month to 162.2p/litre now. Diesel prices have increased from 173.8 p/litre to 175.9 p/litre. The price difference between diesel and unleaded has grown to 13.7 p/litre.
<https://www.theaa.com/driving-advice/driving-costs/fuel-prices>
- 4.6 By comparison, the AA Fuel report for January 2019, around the time of the last fare increase, showed that Unleaded prices had dropped 1.6p from 121.6 p/litre to

120.0 p/litre. Diesel prices had fallen 2.2p from 131.1 p/litre to 128.9 p/litre. The price difference between diesel and unleaded had fallen to 8.9 p/litre.

- 4.7 The average annual rate of inflation (CPI) between March 2018 and February 2022 was 2%. However, the rate of inflation in May 2022 was 9.1 % and this is forecast to rise throughout 2022.

<https://www.ons.gov.uk/economy/inflationandpriceindices>

It should be noted that that CPI may not be truly representative of the additional costs associated with the taxi trade, which include the cost of fuel and used cars. The cost of used cars has increased significantly since the start of the Covid 19 pandemic, and fuel costs have also risen significantly above inflation and are forecast to rise further in 2022. Other trade specific costs include insurance and Council licence fees, although the latter has not changed since 2019.

- 4.8 The following table, derived from the annual statistical returns to the Department of Transport, illustrates the reduction in driver and vehicle licences issued by the Council through the period of the pandemic:

Bridgend

Year	Total Standard Taxis	Total standard PHVs	Total Driver licences issued	Total licensed vehicles
2019	380	130	640	510
2020	356	126	557	482
2021	311	113	530	424

The collection of data for the Department for Transport returns is retrospective. However, a check of the current number of licensed vehicles in Bridgend shows an increase to 439 with 498 drivers currently licensed. Neither levels have returned to pre-pandemic numbers (as at 8 July 2022).

- 4.9 Should Cabinet agree to vary the tariff, the variation would need to be advertised for a period of at least 14 days to permit persons to make an objection. Should there be no objections, the variation would then come into effect on the date of the expiry of the period of notice. However, should an objection be received the objection would need to be considered again by the Cabinet before the variation is implemented.

5. Effect upon policy framework and procedure rules

- 5.1 The report content has no direct effect upon the policy framework and procedure rules.

6. Equality Act 2010 implications

An initial EIA screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic

disadvantage or the use of the Welsh language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

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

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

- 8.1 There are no financial implications arising from the report. The cost of the Public Notice of the application will be met from existing budget.

9. Recommendations

Cabinet is requested to:

- 9.1 Note the issues and impacts to taxi fares set out in the report.
- 9.2 Approve the application put forward by the Bridgend County Hackney Association with an implementation date of 26 September 2022 (provided that there are no objections).
- 9.3 Authorise the advertisement of the variation in a local newspaper.

Kelly Watson

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Background documents:

None