

LICENSING COMMITTEE

Date: 11 October 2018

Taxi Fares review

Report Submitted by: Rachel Jowitt, Chief Officer Neighbourhoods, Planning and Public Protection

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1. Area Affected

1.1 All areas of the County Borough

2. Purpose of Report

2.1 To inform Members of a request that the taxi fares for Hackney Carriages be reviewed.

3. Recommendation(s)

3.1 In respect of the proposed taxi licence fares, Members are asked to agree that

1. The taxi fare tariff can be advertised as proposed, with a planned implementation date of 1st November 2018, or
2. The Committee recommends an alternate specified fare tariff be advertised and implemented in accordance with the statutory process.

4. Background

4.1 This report relates to the setting, advertisement and consultation in respect of taxi fares, which will affect all Hackney Carriage fares in Torfaen other than where a pre-arranged fare has been agreed.

The current hackney carriage fare tariff was adopted from the 1st September 2008, and this is attached as Appendix 1.

4.2 Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976, Hackney Carriage tariffs are set by the local Authority, and these dictate the maximum that a Hackney Carriage is permitted to charge for a journey within the Torfaen area.

Where an Authority proposes to change the Hackney Carriage tariff, the Authority is required to

- 1 Advertise the proposed fares, giving a minimum of 14 days for objections to be made, and
- 2 Where objections are received and not withdrawn, set a date no later than two months after the original proposed date in which to consider the objections and implement the fares with or without modifications

5. Issues and Findings

- 5.1 In July 2018, an e-mail was received from a member of the taxi trade asking for a review of Hackney Carriage fares, on the grounds that there had not been an increase for “10 years or more”.

A letter was sent to the trade in July, with a trade meeting to discuss the Hackney Carriage tariff held in August 2018. The proposal put forward by the trade at that meeting for adoption by the Authority is attached as Appendix 2.

- 5.2 The “Private Hire and Taxi Monthly” magazine publishes “league tables” showing fare tariffs for a daytime journey of 2 miles throughout England and Wales (Appendix 3) and this shows that, in May 2018, fares in Torfaen were ranked at 345 out of 366 authorities for whom figures were produced, and one of the cheapest in Wales. The cost for a 2 mile journey is shown as £4.80 in that table, but is in fact slightly less at £4.76.

The average UK figure is given as £5.83 for a two mile journey on the league table, and the all-Wales average is £5.22. Fares in Gwent shown on the table range between £4.10 and £5.70, with a regional average of £5.00. However, tariff increases recently introduced by Caerphilly and Blaenau Gwent would see fares across Gwent range between £4.80 and £5.70, with a regional average of £5.34.

The increase proposed by the trade would give a cost of £5.46 for a 2 mile daytime journey, placing the Authority at around position 255 (of 366) on the UK league table.

- 5.3 There will be a cost to the trade of changing taxi meters to show any new fare tariff, and a local company may be able to do this at convenient locations for the taxi trade at a cost of around £10 - £15 per meter.

Some meters will be too old to be able to change tariff, and prices start at £210 for re-conditioned meter and £275 for a new one. Some vehicles may also require additional interfaces and equipment, which will increase the cost. Meters can be installed on site and take around 25 minutes to install. If someone already owns a

meter and just wants to install it, the cost is £70.

Some meters are tied to dealerships, and may need to go back to the company that originally fitted it.

- 5.4 The discussion around hackney carriage fares does not affect private hire vehicles in the Torfaen area, as they do not have a meter installed showing fares and are free to set their own fares.

Hackney Carriages will remain able to agree fares, including for pre-booked journeys, providing they are lower than the adopted fares. Torfaen has a robust taxi trade, with a significant proportion of Private Hire Vehicles that are able to set competitive rates, and this limits the fares that Hackney Carriages are able to charge at less busy times.

6 Consultation

The taxi trade have been consulted in writing and at a trade meeting, and have proposed the fare schedule under consideration. A further letter has been sent out advising the trade of these proposals, to which there has been no response.

Social Services, Procurement and the Highways Team have been advised of these proposals, as any cost increase may affect them financially, and any response will be reported to the Committee verbally.

The fare schedule approved by Members will be advertised for a period of two weeks, which is the statutory required consultation and gives members of the public and the trade an opportunity to comment. Where objections are received, these must be considered by the Licensing Committee within 2 months, and a special Committee Meeting would therefore be required to facilitate this.

7 Implications

Legal - This report relates to the statutory duty of the Authority to determine the fare tariff charged by the hackney carriage trade.

Financial - There are no direct budget implications to the Licensing Team in relation to the recommended option or the alternatives, other than the need to re-advertise any new fare tariff should objections be received.

There is a more significant potential impact on transport services offered by this Authority to vulnerable groups accessing services via the Education and Social Services departments. These transport services rely heavily on taxis and, although much of this work is undertaken via a procurement contract process (which is likely to remain competitive, given that most vehicles undertaking this work are Private Hire Vehicles), ad-hoc transport costs and future procurement processes may see some

budgetary increases.

Social Inclusion and Equalities – A vibrant taxi trade supports the social service and education well-being aims, by ensuring access to facilities and services across Torfaen for those unable to access other forms of transport. The taxi trade also impacts on the ability of people more generally to get to work, go shopping etc. whilst minimising the need for car ownership and the associated impact on the environment and our roads.

It is recognised that the proposed fare increase could impact on the ability of vulnerable people, such as the elderly and disabled, to access a form of transport that is important to them. However, the competitive nature of the trade will limit this impact, and the fare increase will help ensure the continuation of a local taxi trade upon which these groups are often dependant.

8 Risks

- 8.1 The main risk to both the Authority and the taxi trade is reputational, as any fare increase is likely to be unpopular with service users. However, it has been around 10 years since the previous fare increase, and the competitive nature of the local taxi trade will help to minimise the impact to periods of high demand.

9. Action to be taken following decision

- 9.1 The suggestions and directions of the committee will be followed by officers.

10. Monitoring and Evaluation

- 10.1 The Licensing Team will continue to review Hackney Carriage fares to ensure that these remain fair to the trade and to those that use this form of transport.

11. Conclusion/summary

- 11.1 A request has been received that the Authority review the fares that Hackney Carriages in Torfaen are permitted to charge. The taxi trade have proposed a new fare structure that would increase costs to service users, but nevertheless remains competitive when compared to national taxi fares.

12 Recommendation(s)

- 12.1 In respect of the proposed taxi licence fares, Members are asked to agree that

- 1 The taxi fare tariff can be advertised as proposed, with a planned implementation date of 1st November 2018, or

- 2 The Committee recommends an alternate specified fare tariff be advertised and implemented in accordance with the statutory process.

Appendices	Appendix 1 - Current hackney carriage fare tariff , adopted from the 1 st September 2008 Appendix 2 – Proposed hackney carriage fare tariff from 1 st November 2018 Appendix 3 - Private Hire and Taxi Monthly taxi fare league table
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Background Papers	Section 65 of the Local Government (Miscellaneous Provisions) Act 1976
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For a copy of the background papers or for further information about this report, please telephone: Alison Hughes, Team Leader Licensing. Tel: 01633 647286