

**PUBLIC PROTECTION COMMITTEE: 8 February 2011**

**Report of the Chief Strategic Planning and Environment Officer**

**APPLICATION FOR HACKNEY CARRIAGE FARE INCREASE 2011**

**1. Background**

- 1.1 A district council may fix or vary the rate of fare for the hire of a taxicab 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.
- 1.2 On 2 December 2008 the Committee authorised the following rate of fare for the City of Cardiff to commence on 22 December 2008:

<b><u>AUTHORISED FARE TARIFF</u></b>	<b><u>Existing Fare (£)</u></b>
First 146 yards (133.5 metres) or part thereof,	2.00
If distance exceeds 146 yards (133.5 metres) for first 146 yards (133.5 metres)	2.00
For each subsequent 215 yards (196.6 metres)	0.20
<b><u>WAITING TIME:</u></b>	
For each period of 48 seconds	0.20
<b><u>EXTRA CHARGES</u></b>	
For hirings between midnight and 6.00 am and on Sundays, and Bank Holidays	1.00
For hirings between 8.00pm Christmas Eve and 6.00am on 27th December and between 8.00pm New Years Eve and 6.00am 2nd January	5.00
For each passenger exceeding four	1.00 each
For bicycles, cabin trunks (minimum size 36" x 24" x 18") and items of furniture	0.20 each
For the fouling of a vehicle	50.00

- 1.3 An application to increase the fare was submitted on 30 December 2010 by the Cardiff Hackney Association (CHA). The report is to provide members with details of the requests for increases in hackney carriage fares to enable the application to be determined.

**2. Details of the application by the Cardiff Hackney Association.**

- 2.1 An application for a fare increase was received on 30 December 2010 from the Cardiff Hackney Association (CHA).

## 2.2 Requested amendments.

The requested amendments to the existing fees and charges are:

- (a) The initial fare should stay at £2.00 but the distance would decrease to 137 yards (125.2 metres).
- (b) Where the distance travelled exceeds 137 yards (125.2 metres) the cost for each subsequent 202 yards (184.6metres) would be 20p.
- (c) The waiting time be increased to 20p for each 45 seconds.
- (d) The extra charge for hirings between midnight and 6.00 am and on Sundays, and Bank Holidays would increase from £1.00 to £1.20.
- (e) The extra charge for each passenger exceeding four would increase from £1.00 to £1.20.
- (f) The extra charge for bicycles, cabin trunks (minimum size 36" x 24" x 18") and items of furniture would increase from 20p to 30p.

## 2.3 The content of the requested increase is shown in the following table.

<b><u>AUTHORISED FARE TARIFF</u></b>	<b><u>Existing Fare (£)</u></b>
First 137 yards (125.2 metres) or part thereof,	2.00
If distance exceeds 137 yards (125.2 metres) for first 137 yards (125.2 metres)	2.00
For each subsequent 202 yards (184.6 metres)	0.20
<b>WAITING TIME:</b>	
For each period of 45 seconds	0.20
<b>EXTRA CHARGES</b>	
For hirings between midnight and 6.00 am and on Sundays, and Bank Holidays	1.20
For hirings between 8.00pm Christmas Eve and 6.00am on 27th December and between 8.00pm New Years Eve and 6.00am 2nd January	5.00
For each passenger exceeding four	1.20 each
For bicycles, cabin trunks (minimum size 36" x 24" x 18") and items of furniture	0.30 each
For the fouling of a vehicle	50.00

## 2.4 The proposal would increase the cost of a three mile journey by 5.88% during the day and by 5.13% during the night. An average of journeys of up to 10 miles would result in an increase during the day of 5.35% and 4.83% at night. The increase in the waiting time would be 6.67% per hour.

## 2.5 In support of the application the Hackney Carriage Association make the following points:

- Fares have not increased since December 2008.
- Since this time there have been many substantial cost increases in providing the service, mainly arising from the increase in fuel costs, VAT and inflation.

- 2.6 Details of the request have been shared with G W Taximeter Services Limited who advised on 18 January 2011 that the proposed increase in fare structure presents no technical difficulties to implement on a taximeter.

### 3. Considerations.

- 3.1 For information the following table provides details of the daytime rate of the fare currently authorised by the Council together with a comparison with the proposed fares and also the fares authorised by a sample of other licensing authorities: -

Authority	Initial Charge		Each Succeeding		Change Date	Waiting Time		Fare for a 3 mile Journey
	Price (£)	Yards	Price (p)	Yards		Min (p)	Hour (£)	(£)
London	2.20	308	20	153	10/4/10	40	24.00	8.80
Bath	2.60	372	20	183	Dec 2010	30	18.00	8.00
Dover	3.00	400	10	117	NS	25.5	15.30	7.60
Stockport	2.00	986	20	162	10/07/08	23.1	13.85	7.40
Bristol	2.50	232	20	232	NS	25.4	15.23	7.40
<b>Cardiff Proposed</b>	<b>2.00</b>	<b>137</b>	<b>20</b>	<b>202</b>		<b>26.7</b>	<b>16.00</b>	<b>7.20</b>
Carlisle	2.30	1232	20	176	6/10/08	23.4	14.04	7.00
Edinburgh	1.60	492	25	229	1/01/2009	33.3	20.00	7.00
Newport	3.00	1200	10	112	NS	20	12.00	6.90
<b>Cardiff Existing</b>	<b>2.00</b>	<b>146</b>	<b>20</b>	<b>215</b>	<b>27/10/06</b>	<b>25.0</b>	<b>15.00</b>	<b>6.80</b>
Manchester	2.30	455	20	214	NS	27.9	42.95	6.80
Coventry	2.80	1344	20	177	Sept 2008	25	15.00	6.60
Swansea	1.80	251	25	251	31/9/08	21.4	12.83	6.50
Liverpool	2.00	330	20	232	3/11/08	17	10.20	6.40
Wigan	1.70	408	10	102	17/3/08	20.6	12.41	6.30

- 3.2 As reported to the Committee on 5 October 2010 the Hackney Carriage Fare Index indicated at that the cost of operating a hackney carriage had increased by 2.53% during the previous year. The index was introduced in September 2009 and it can not therefore be of assistance in calculating how costs have changed since the fare was last increased on 22 December 2008.
- 3.3 The AA Fuel Price Report shows that the cost of Diesel has increased from a Wales average of 101.9p per litre at December 2008 to 126.7 per Litre in December 2010 an increase of 24.33%. Unleaded 95 Octane petrol has increased to 122.4p per litre, an increase of 36.79% in the same period. Licence fees have not increased since 1 May 2009 when they went up by 3.0%. The vehicle excise duty has increased for petrol & diesel vehicles in band H from £165 to £180 a 9% increase.
- 3.4 Should the Committee 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 by the Committee before the variation is implemented.

#### **4. Consultations.**

- 4.1 The authority is required to consult on any proposed increase and it is therefore clearly in the interests of effective administration to consult with all effected parties at an early stage to ensure the matter can be determined speedily and effectively. In accordance with the normal procedure therefore trade representatives and interested parties were advised of the application for a fare increase on 12 January 2011 inviting comments by 26 January 2011. Details of any responses received will be provided at the meeting.
- 4.2 Mr Khan on behalf of the Hackney Carriage Association has requested that the matter should be considered early and it has not therefore been possible to make the report available at the licensing offices for inspection by interested parties so that all comments received within the consultation period could be included in the report.

#### **5. Achievability**

This report contains no equality personnel or property implications.

#### **6. Legal Implications**

- 6.1 If the Committee decides to amend the fare tariff it will be necessary to give public notice in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. The Committee will then have to consider any objections that are received.
- 6.2 All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

#### **7. Financial Implications.**

This report does not result directly in any additional financial implications. The increase in fares will need to be publicly advertised and the associated costs of advertising will be borne by the Licensing Service from within its existing budget.

#### **8. Recommendation**

That the applications for an increase in taxicab rates of fare be considered and determined on the merits. Should the Committee agree to change the authorised taxicab rate of fare it is recommended that the City and County Solicitor be authorised to advertise the variation in a local paper requesting representations by 12 noon on Tuesday 1 March 2011.

This report has been prepared in accordance with procedures approved by Corporate Directors.

Background Papers:

1. Letter of application.
2. Hackney Carriage Tariff Rate Sheets available from Bath and North East Somerset Council, Bristol, Coventry, Carlisle, Dover, Edinburgh, Liverpool, Manchester, Newcastle, Newport, Stockport, Scarborough, Swansea, Wigan Council, Wrexham and the Metropolitan Police for London.