

**MONMOUTHSHIRE COUNTY COUNCIL
REPORT**

<p>SUBJECT: TO AMEND THE TABLE OF FARES FOR ALL MONMOUTHSHIRE COUNTY COUNCIL LICENSED HACKNEY CARRIAGE VEHICLES. MEETING: CABINET MEETING DATE: 29th JUNE 2022 DIVISION/WARDS AFFECTED: ALL WARDS</p>
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1. PURPOSE:

To consider the proposals set out in the report for Cabinet to amend the hackney carriage table of fares, for use by the hackney carriage vehicles licensed by Monmouthshire County Council.

The Licensing Section has received numerous requests from Hackney Carriage proprietors and licensed drivers for the table of fares set by this Authority to be increased due to the increase in living costs and running costs for businesses such as the significant rise in fuel costs and other factors outlined in the report.

Each Local Authority may set the table of fares under section 65 Local Government (Miscellaneous Provisions) Act 1976.

2. RECOMMENDATION(S):

It is recommended that Members;

Approve a new table of fares set out in Appendix C for all Monmouthshire licensed Hackney Carriage vehicles, subject to a public notice and 14 day consultation.

Any objections received during the consultation, will result in the matter deferred back to Cabinet in two months, as required by the Local Government (Miscellaneous Provisions) Act 1976

If there are no objections the new Table of fares will commence a day after the consultation end date.

KEY ISSUES

- 3.1 Numerous licensed proprietors and drivers have submitted verbal and written requests to increase the Hackney Carriage Tariff within Monmouthshire. The main concerns raised by proprietors and licensed drivers are the cost of fuel increases that have continued to rise in recent months, the cost of living and for companies who employ drivers the rise in minimum wage and national insurance costs.
- 3.2 Section 65 Local Government (Miscellaneous Provisions) Act 1976 state a Council may fix the rates of fares within the district for time and distance and all other charges, in connection with the hire of a vehicle by means of a table. When the cabinet approve the new taxi tariff, Officers will issue a legal notice in a local newspaper to commence a 14-day public consultation period. If there are no objections the tariff will be amended the day after the consultation ends.

- 3.3 The current tariff was introduced in September 2011 following requests for an increase from members of the taxi trade due to increasing costs at that time. A copy of the current tariff is attached as **Appendix A**.
- 3.4 Local Authorities have for many years had various ways of calculating the meter tariff rates for all Hackney Carriage vehicles transporting passengers within its district area. Licensing Officers Leigh Beach and Taylor Watts used information provided by Monmouthshire drivers and formulas provided by other Local Authorities to create the proposed new taxi tariff attached to this report as **Appendix C**. The Monmouthshire Taxi Association approve the amended tables of fares.
- 3.5 The cost of fuel has been the main reason from the trade requesting an increase in the meter tariff. At the time of writing this report, the Licensing Section currently licence 75 Diesel vehicles, 11 Petrol or Hybrid vehicles and 3 fully electric vehicles. Therefore, we considered the fuel cost of Diesel as the primary type of vehicle fuel used in the Authority area. The average UK cost of diesel has risen from £1.28 a litre in March 2021 to £1.97 a litre in June 2022. Petrol costs and electricity costs have also increased. Looking at data obtained from a section of proprietors we calculate the average annual mileage of a Monmouthshire Hackney Carriage as 30,848 miles per year. This supports an increase to the Tariff as a significant increase in cost of fuel for the trade.
- 3.6 Officers have noted the tariffs set in neighbouring authorities and information contained within "The Private Hire and Taxi Monthly" magazine, which publishes "league tables" showing fare tariffs throughout England and Wales. Comparisons (as at April 2022) show that based upon a two mile journey, the current national average fare is £6.06, the all-Wales average is £5.69 and the regional average in Gwent is £5.48. This Authority's two mile tariff equates to £5.70. Monmouthshire currently sits at 256 out of 359 local authorities in National Fare Tables. A copy of this table is attached as **Appendix B**.
- 3.7 We have contacted our neighbouring Licensing Authorities to see if their Tariff's will be amended in the foreseeable future. Caerphilly have just approved a new Tariff commencing in May attached to the report as **Appendix D**. Blaenau Gwent have received requests to increase and are considering a similar tariff to the new Tariff created by our Licensing Section starting at £4 to increase 20p every 1/12 of a mile. Newport are going through the process of increasing the tariff providing an example of £6:60 for the first 2 miles. Torfaen have not received a request to increase the table of fares at this time.
- 3.8 Drivers have also stated the cost of living and inflation has increased dramatically. The latest figures for Consumer Price Index (CPI) are a 6.2% increase in the last 12 months at February 2022. This is the highest inflation rate from when the national statistics were recorded in 1992.
- 3.9 For Hackney Carriage proprietors who employ drivers the UK national minimum wage increased in April 2022 to £9:50 from the previous rate of £8:91 an increase of 6.6%. The National Insurance contributions per employee also rose from April 2022 by 1.25 percentage points. All of this adds to the cost of running a business.
- 3.10 Monmouthshire County Council requested specific data from 18 Hackney Carriage proprietors who have held a licence with our Authority for over 12 months. A random selection of data was obtained taken from nine vehicle proprietors licensed to carry up to four passengers and nine vehicle proprietors licensed to carry up to eight passengers. This selection of licence holders was asked a list of questions to help produce data to consider the running costs of these vehicles. Hackney Carriage vehicles have higher running costs than the standard road vehicle with more mileage resulting in more fuel usage, more replacement parts and tyres costs, plus more expensive insurance for carrying passengers.

- 3.11 The current table of fares has a changeover time from tariff 1 to tariff 2 at 9pm. Licensing Officers suggest changing the time to 7pm as approved by Caerphilly. Monmouthshire late night economy is not 24 hours as you would find in a city, our latest licensed alcohol premises are around 2am, therefore we suggest the 7pm changeover to allow licensed drivers to use the higher rate from 7pm as they will not be driving around all through the night as you would find in a city. A higher table of fares from 7pm may also encourage more drivers to work the evening hours. Currently more drivers are available during daytime hours and 7pm may support our bars, restaurants, clubs and late night takeaway establishments if there are more licensed vehicles available.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

- 4.1 An evaluation has been provided in **Appendix E**. To consider the effect of increase of table of fares.

5. OPTIONS APPRAISAL:

- 5.1 To not amend the current Table of fares attached to the report as Appendix A will result in the Hackney Carriage trade not receiving a sufficient income for their respective business to continue.
- 5.2 If the Table of fares were increased further, this could be damaging to the passengers who use the licensed taxis and may deter passengers using Monmouthshire Hackney Carriage vehicles, again this could be damaging for the licensed businesses.

6. EVALUATION CRITERIA:

- 6.1 Numerous Local Authorities throughout the United Kingdom are or have receive requests from the taxi trade to increase the table of fares due to the reasons outlined in this report.
- 6.2 Monmouthshire Licensing Section will consider amending the table of fares in the future whenever we receive requests from the taxi trade.

7. REASONS:

- 7.1 Hackney Carriage Proprietors and Drivers have requested an increase in the hackney carriage meter tariff set by Monmouthshire County Council. All our licensed hackney carriage vehicles are fitted with taxi meters calibrated to the Monmouthshire Tariff, all drivers are unable to charge over and above the taxi meter price. Private hire vehicles are not affected as the operator's set an independent price for each hire booking.

5. RESOURCE IMPLICATIONS:

Nil

6. CONSULTEES:

Taxi Association Representatives for the Monmouthshire area.
Current Licensed Proprietors within the Monmouthshire area.
Neighbouring Gwent Local Authorities of Newport, Torfaen and Blaenau Gwent.

7. BACKGROUND PAPERS:

Local Government (Miscellaneous Provisions) Act 1976.
Town Police Clauses Act 1847.

8. AUTHOR:
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