

REPORT TO:	Licensing Committee
DATE:	13 September 2023
LEAD OFFICER:	Head of Planning, Public Protection and Countryside Services
CONTACT OFFICER:	Public Protection Business Manager licensing@denbighshire.gov.uk 01824 706066
SUBJECT:	Proposed Changes to Hackney Carriage Vehicles Table of Fares and Charges

1.0 PURPOSE OF THE REPORT

1.1 To review the current tariff charges for hackney carriage vehicles (taxis).

2.0 EXECUTIVE SUMMARY

2.1 Following a request by a licensed driver to review the current tariff charges officers have drafted proposals for further consultation.

3.0 POWER TO MAKE THE DECISION

3.1 Local Government (Miscellaneous Provisions) Act 1976.

4.0 BACKGROUND INFORMATION

4.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 ("the Act") allows the Council to fix the rates or fares within the county in connection with the hire of a vehicle.

4.2 A request was received by a licence holder to increase all tariffs and extras by 10%, using inflation as a marker. The justification submitted as part of the request was:

- i. In the last 12 months costs have continued to increase at an alarming rate, with inflation running at over 10%, above inflation wage rises, garage costs increasing and electric costs increasing by over 50%.*
- ii. We also have the imminent imposition of the 30mph to 20mph speed reduction on September 17th. This will increase journey times. As taxis charge by the mile the drivers will be able to earn less per hour as they will be able to cover less miles.*
- iii. Payment by card – more customers than ever wish to pay by card, in real terms this is a 2-3% reduction in the fare due to processing fees*

- 4.3 As a result of the fare review request, Officers have taken the opportunity to consult with all licence holders on the proposal received, to gain an understanding of whether there is general support from the trade for a fare increase at this time. From 280 licensed drivers, we received 56 responses of which 47 were in support of a fare increase, which Officers feel is a sufficient number to progress with a fare review.
- 4.4 As a result of the consultation with licence holders, alternative proposals were submitted which can be found at Appendix A. As you can see there were many variations which were considered too many for this review.
- 4.5 Members will be aware that during 2022 a comprehensive hackney carriage fare review was undertaken by a Consultant, who recommended adopting a methodology for calculating any future fares. However in order to be able to utilise the methodology, data is required from licence holders to feed into the calculation and engagement from the trade is paramount for the methodology to be effective. This process has started but will take some time to obtain sufficient data to have a meaningful effect/result. In the absence of this data the Consultant recommended using the Retail Price Index for Motoring as a tool to increase/decrease fares. Members may wish to note that National Rail fares are also linked to RPI data as a whole, i.e. not just motoring, released every July.
- 4.6 The current Retail Price Index for Motoring as of August 2023 is 4.8%
- 4.7 The current tariff for Denbighshire is attached at Appendix B.
- 4.8 Members should note that although the Council set the table of fares a hackney carriage proprietor can charge a customer a lesser fee; the set charge is only the maximum charge permitted.

5.0 CONSIDERATIONS

- 5.1 The current “table of fares” was last amended in July 2022.
- 5.2 The charges for distance are used to compile a “league table” of taxi fares throughout the UK, produced by the Private Hire and Taxi Monthly <https://www.phtm.co.uk/newspaper/taxi-fares-league-tables>. Comparisons are based on two-mile journey on the normal tariff and does not take account of any extras / additions. Position “1” is dearest.
- 5.3 Based on current charges Denbighshire are listed within the “league table”, as of August 2023 as follows on the below table:

UK WIDE POSITION NUMBER	WALES POSITION NUMBER	NORTH WALES POSITION NUMBER
288	14	3

- 5.4 Should Members be minded to support a fare increase based on the proposal received as detailed in 4.2 above, it would amount to a 10% increase in maximum charges. Alternatively, should Members be minded to support a fare increase based on the Retail Price Index for Motoring, as previously recommended, it would amount to a 5 % increase in maximum charges (the percentage rate has been rounded up from 4.8%).
- 5.5 For ease of reference please refer to Appendix C to view what each proposal would amount to in terms of tariff, additional items and 2 mile journey together with details of maximum current fares for journeys for the six North Wales Counties.
- 5.6 Should Members resolve to support an increase in the current fares, Officers propose to go out to public consultation by publishing the required statutory notice for variations on the tariff. This notice must appear in one local newspaper circulated in the County and detail the proposed new tariff. There is a minimum statutory period of 14 days and Officers are proposing to run this for a period for 28 days. The notice will specify how and where objections can be made along with a specified date on which the tariff will take effect, if there are no objections.
- 5.7 If no objections are received at this stage the amended scale of fares and charges will come into effect after the expiration of the public notice i.e. the date specified. However, should objections be received at this stage, they must be brought back to the Licensing Committee for further consideration for a final tariff and a date of implementation.
- 5.8 Members should note that any final tariff will require a Lead Member Delegated decision to ensure the Council meets its constitutional obligations.
- 5.9 In summary Members are being asked to consider one of the following options:
- Retain the current table of fares;
 - Support the proposal received to increase the tariff by 10%;
 - to increase the tariff in line with the Retail Price Index all Motoring as recommended by the Consultant;

6.0 RECOMMENDATION

- 6.1 Having considered of all of the available information it is recommended that Members instruct Officers to consult on the implementation of an increase to the tariff by 5% (rounded to the nearest full percent) in line with the Retail Price Index all Motoring.
- 6.2 Members are reminded that they may opt to take a different course of action i.e. do nothing by retaining the current table of fares, or support the proposal from the driver.
- 6.3 Authorise officers to proceed with statutory notice with an implementation date of at least 28 days following publication of the notice.
- 6.4 Instruct officers to prepare a report for the next Licensing Committee if any objections are received to that statutory notice.