

<b>COMMITTEE</b>	<b>GENERAL LICENSING COMMITTEE</b>
<b>DATE:</b>	<b>9 SEPTEMBER 2019</b>
<b>TITLE:</b>	<b>MAXIMUM HACKNEY CARRIAGE TAXI FEES</b>
<b>PURPOSE:</b>	<b>APPROVE A PROPOSAL BY THE INDUSTRY TO INCREASE THE MAXIMUM FARES - FOLLOWING RESPONSE TO THE CONSULTATION</b>
<b>AUTHOR:</b>	<b>HEAD OF ENVIRONMENT DEPARTMENT</b>

## 1.0 BACKGROUND INFORMATION

- 1.1 The Local Government (Miscellaneous Provisions) Act 1976 places regulatory duties on the Licensing Authority in relation to operating a maximum fare that the public can be charged when travelling in hackney vehicles within the County. The Act allows the provision of a table of fares, and this along with the statutory requirement to use a taxi meter, allows a mechanism to regulate the fares charged and to protect the interests of the public.
- 1.2 It is a requirement that request to change the maximum fare charged must be submitted by the industry. A request was recently received from Mr John Pritchard, a taxi company owner, to review the fares. It is a requirement under section 65 of the Act that any recommendation to change the fares is advertised in a local paper for a minimum of 14 days to allow for any objection to be considered.
- 1.3 The maximum fare is not relevant to journeys in private hire vehicles that have been booked in advance.
- 1.4 A successful application to increase the maximum fare was received in 2011, and there has been no change since then. See Appendix 1 for a list of the current maximum fares, and the proposed maximum fares.
- 1.5 Over the past six years, the Council has had to increase the fees charged for drivers' licences, taxi licences and taxi operator licences in order to attempt to recover the costs of processing and administrating licences; this has increased the financial burden on the industry.
- 1.6 Although there has been no increase in fuel costs on average since 2011, the appropriate insurance costs for licensed vehicles have increased.
- 1.7 The maximum fare that is implemented for journeys in hackney vehicles for the six counties of North Wales can be seen in the table below. For comparison, the proposed maximum fare for Gwynedd is also included -

**Table - an equivalent fare for a 2 mile journey**

Current Gwynedd	Proposed Gwynedd	The current average for the six counties	Anglesey	Conwy	Flintshire	Denbighshire	Wrexham
£5.00	£6.00	£5.90	£6.00	£5.20	£6.20	£6.00	£7.20

- 1.8 The proposed increase for the hackney vehicle journey maximum fare has been calculated by adding inflation at an average of 2.6% per year to the price of the journey per mile that was fixed in 2011. Bank of England figures have been used for this purpose.
- 1.9 It is not recommended that additional fees such as the waiting time rate, or the fees for carrying additional bags etc., are changed. See appendix 2 of the report for full details, and for a comparison with the other counties of North Wales.
- 1.10 It is important to note that some taxi companies do not charge the maximum fare for hackney vehicle journeys. Many companies choose not to do so, and charge lower fares that are in accordance with what is considered to be a competitive rate.

## **2 THE DECISION OF THE GENERAL LICENSING COMMITTEE - 11 APRIL 2019**

- 2.1 At its meeting on the 11<sup>th</sup> of April 2019, this Committee determined to accept the proposal to increase the maximum fare that could be charged for a journey in a hackney vehicle in accordance with the recommendation; subject to the statutory public consultation.

## **3 RESPONSES RECEIVED FOLLOWING THE PUBLIC CONSULTATION**

- 3.1 Following a consultation on the maximum fare in local papers for 14 days, four e-mail responses were received from individuals within the taxi industry, and from one member of the public. See appendix 3 which contains details of the responses that came to hand.
- 3.2 The proposed maximum fare did not come into force following the consultation due to the fact that responses had been received to the consultation. In line with the procedure, the responses are referred to this Committee for consideration before reaching a final decision on the maximum fare.
- 3.3 One respondent raised the point that he did not feel that the maximum price of £45 for cleaning the inside of a taxi vehicle after a customer was sufficient to recover the true cost. It was suggested that the maximum fee should be raised to £70. The point was also raised that it would be difficult to find spare change if they operated the proposed maximum fare.
- 3.4 One taxi driver noted that he opposed to the changes; but no reason was given for the objection.
- 3.5 The third respondent from the taxi industry noted that he was of the opinion that the price of the first mile should be re-calculated.
- 3.6 The one respondent who was not from the taxi industry noted his view that better integration was required between the various forms of public transport, and that consideration should be given to subsidising taxi journeys.

## **RECOMMENDATION**

That the Committee considers the responses, and approves the proposal to increase the maximum fare that the taxi industry can charge for journeys in the County's hackney vehicles.