

COMMITTEE	GENERAL LICENSING COMMITTEE
DATE:	11 APRIL 2019
TITLE:	MAXIMUM HACKNEY CARRIAGE JOURNEY FARES
PURPOSE:	APPROVE A PROPOSAL BY THE INDUSTRY TO INCREASE THE MAXIMUM FARES
AUTHOR:	HEAD OF ENVIRONMENT DEPARTMENT

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 for 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 public interests.
- 1.2 It is required that any request to change the maximum fare charged is 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 proposal 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 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.

2 FACTORS WHICH AFFECT THE COSTS OF TAXI BUSINESSES

- 2.1 Over the past six years, the Council has had to increase the fees charged for driver's 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.
- 2.2 Although there has been no increase in fuel costs on average since 2011, the costs of appropriate insurance for licensed vehicles have increased.

3. PROPOSAL FOR THE NEW MAXIMUM FARE FOR HACKNEY VEHICLE JOURNEYS

- 3.1 The maximum fares 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 of six counties	Anglesey	Conwy	Flintshire	Denbighshire	Wrexham
£5.00	£6.00	£5.90	£6.00	£5.20	£6.20	£6.00	£7.20

- 3.2 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.
- 3.3 It is not recommended that additional fees such as the waiting time rate, or 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.
- 3.4 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 in accordance with what is considered to be a competitive rate.

4. CONSULTATION WITH THE INDUSTRY

- 4.1 If this Committee accepts the recommendation, we will hold a consultation on the proposal for 14 days in a local newspaper, with the intention of implementing the new maximum fare from the end date of the notice.
- 4.2 If any objections to the proposal come to hand during the consultation period, the recommendation will be referred back to this Committee to consider the basis of the objection, and it will not be implemented until a final decision is made by the Committee.

RECOMMENDATION

That the Committee approves the proposal to increase the maximum price that the taxi industry can charge for journeys in the County's hackney vehicles.