

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Monday, 14 February 2022</b>
Relevant Scrutiny Committee:	Environment and Regeneration
Report Title:	Local Government (Miscellaneous Provisions) Act - Section 65 Power to Fix Fares for Hackney Carriages - Applications to Vary the Hackney Carriage Fares Tariff
Purpose of Report:	To determine an application received from Vale Taxis Unite to vary the current Vale of Glamorgan Council's rate of hackney carriage fares.
Report Owner:	Cabinet Member for Legal, Regulatory and Planning Services
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	Accountant - SRS Committee Reports - Legal Team Manager Licensing - Yvonne Witchell
Policy Framework:	This report is a matter for Executive Decision by Cabinet
Executive Summary:	<ul style="list-style-type: none"> <li>• To determine an application received from the Vale Taxis Unite representative body to vary the current Vale of Glamorgan Council's rate of hackney carriage fares.</li> <li>• The rate of hackney carriage fares is the authorised fare charges to passengers using hackney carriages in the Council's area.</li> </ul>

## **Recommendations**

1. That Cabinet approves in principle the application put forward by Vale Taxis Unite to vary hackney carriage fares with an implementation date of 14 April 2022 (provided there are no objections).
2. That, subject to the recommendation 1, the fare variation is advertised in the local press.
3. That subject to no objections being received delegated authority is granted to the Director of Environment and Housing to agree the fare variation in consultation with the Cabinet Member for Legal, Regulatory and Planning Services.

## **Reasons for Recommendations**

1. To allow the new proposed fares to be publicly advertised. Under Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, if any objections are received to the public notice, these must be considered by Cabinet and any new fare tariff must come into effect within 2 months from the original implementation date. The implementation date has been recommended to allow for reporting back of objections if received.
2. To vary hackney carriage fares it is necessary to give public notice in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976.
3. To permit the change in fares to be implemented if there are no objections received.

## **1. Background**

- 1.1 The Council may fix or vary the rate of fare for the hire of a hackney carriage 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 The current tariff of fares has been effective since 23 July 2018 and is shown at Appendix A.
- 1.3 An application to increase the rate of hackney carriage fares was submitted to the Licensing Department by the Chairman of Vale Taxis Unite. A copy of the request is attached at Appendix B and supplementary information provided is attached at Appendix C.

## 2. Key Issues for Consideration

**2.1** The application proposes increases across all tariffs. All other charges such as the waiting time and the charge for cleaning the interior of the vehicle remain the same.

**2.2** The following tables show the impact of the proposals on each of the current fare tariffs in place. Vale Taxis Unite have confirmed the proposals as correct.

<b>Tariff</b>	<b>Current</b>	<b>Proposed</b>	<b>% increase</b>
<b>Tariff 1</b>			
1 mile	4.00	4.30	8%
2 miles	6.00	6.80	13%
3 miles	8.00	9.30	16%
4 miles	10.00	11.80	18%
5 miles	12.00	14.30	19%
10 miles	22.00	26.80	22%

<b>Tariff 2</b>	<b>Current</b>	<b>Proposed</b>	<b>% increase</b>
<b>11.00pm to 6.00am everyday. All day Sundays and Bank Holidays.</b>			
1 mile	4.25	4.55	7%
2 miles	6.75	7.55	12%
3 miles	9.25	10.55	14%
4 miles	11.75	13.55	15%
5 miles	14.25	16.55	16%
10 miles	26.75	31.55	18%

<b>Tariff 3</b>	<b>Current</b>	<b>Proposed</b>	<b>% increase</b>
<b>6.00pm December 24 to 6.00am 27 December</b>			
<b>6.00pm December 31 to 6.00am 2 January</b>			
1 mile	6.00	6.30	5%
2 miles	9.00	9.80	9%
3 miles	12.00	13.30	11%
4 miles	15.00	16.80	12%
5 miles	18.00	20.30	13%
10 miles	33.00	37.80	15%

<b>Tariff 4</b>	<b>Current</b>	<b>Proposed</b>	<b>% increase</b>
<b>(For MPVs &amp; Minibuses carrying 5 to 8 passengers)</b>			
1 mile	4.80	5.10	6%
2 miles	7.40	8.20	11%
3 miles	10.00	11.30	13%
4 miles	12.60	14.40	14%
5 miles	15.20	17.50	15%
10 miles	28.20	33.00	17%

**Tariff 5**                      **Current**      **Proposed**      **% increase**  
**(For MPVs & Minibuses carrying 5 to 8 passengers)**  
**11.00pm to 6.00am everyday. All day Sundays and Bank Holidays. First**  
**1/2 mile or part thereof.**

1 mile	5.30	5.60	6%
2 miles	8.30	9.10	10%
3 miles	11.30	12.60	12%
4 miles	14.30	16.10	13%
5 miles	17.30	19.60	13%
10 miles	32.30	37.10	15%

**Tariff 6**                      **Current**      **Proposed**      **% increase**  
**(For MPVs & Minibuses carrying 5 to 8 passengers)**  
**6.00pm December 24 to 6.00am 27 December**  
**6.00pm December 31 to 6.00am 2 January**

1 mile	7.20	7.50	4%
2 miles	11.10	11.90	7%
3 miles	15.00	16.30	9%
4 miles	18.90	20.70	10%
5 miles	22.80	25.10	10%
10 miles	42.30	47.10	11%

**2.3** For information it has been agreed to use the league tables published by Private Hire Monthly magazine and the table below shows the highest and lowest fares in England and Wales, together with the 22 Welsh Authorities at time of publication of this report.

<b>Council</b>	<b>Place in National Table</b>	<b>Tariff 1 for Two mile Fare</b>
London Heathrow	1	£11.40
Pembrokeshire	125	£6.30
Carmarthenshire	134	£6.20
Cardiff	156	£6.10
Conwy	175	£6.00
Gwynedd	181	£6.00
Vale of Glamorgan	197	£6.00
Bridgend	216	£5.80
Flintshire	221	£5.80
Ynys Mon	242	£5.80
Monmouthshire	250	£5.70
Swansea	254	£5.70
Denbighshire	259	£5.60
Newport	263	£5.60
Wrexham	271	£5.60
Merthyr	281	£5.50
Torfaen	283	£5.50

Ceredigion	284	£5.46
Neath Port Talbot	285	£5.46
Caerphilly	289	£5.40
Powys	295	£5.40
Blaenau Gwent	315	£5.20
Rhondda Cynon Taff	321	£5.20
Middlesborough	353	£4.30

- 2.4** The Vale of Glamorgan is currently in position 197 in the 2 mile fare league table out of 353 local authorities returning results, as published in the December 2021 online edition of Private Hire & Taxi Monthly. Taking only Welsh authorities, the Vale of Glamorgan is the sixth highest in Wales and the proposed increase to £6.80 on the two mile fare would move the Vale of Glamorgan to the top of the table. However, this position will change very quickly if other authorities are currently approving tariff applications from the trade.
- 2.5** The proposed tariff increase is below the rate of inflation, as measured by Consumer Prices Index (CPI), over the period since the last increase. The CPI data available at the time this report was drafted is attached at Appendix D. The current rate of inflation quoted by the Bank of England is 5.1 % (source: <https://www.bankofengland.co.uk/monetary-policy/inflation>)
- 2.6** The AA Fuel Price Report shows that the cost of diesel and Unleaded 95 Octane petrol has been increasing in Wales, and the Welsh cost being at £150.3 per litre and £146.7 per litre respectively. The November report is attached at Appendix E. At the time of the last taxi fare increase in June 2018 the Welsh reported cost for diesel was reported as £131.5 per litre. Should there be any updated figures, these will be available at the meeting.
- 2.7** The trade has highlighted costs of living from their research as follows:
- 2.8** "There are many reasons for this request. Firstly, fuel prices have risen in the last 12 months from 114.5p to 147.7p. This is an increase of 29% year on year according to the RAC/Experian.
- 2.9** According to a Wales Online article, the Vale of Glamorgan has shown the largest house price increase annually of 24% in South Wales and second only to Conwy in the whole country.
- 2.10** Inflation is currently at 2.19% up by .85% compared to the previous year. It is thought that the Bank of England will soon need to increase interest rates to combat future rising costs of goods and services. This directly leads on to the cost of parts and labour.
- 2.11** Industry regulator Ofgem announced it would lift the maximum cap on energy deals for the coming winter by more than 12% after the wholesale electricity

market soared to a record high. This will impact an average household by an increase of £139 a year, according to The Guardian."

- 2.12 Consideration should be given to obtaining a balance between increasing the fare to compensate the increase of costs of running a hackney carriage, and ensuring that the increase does not deter the public from using hackney carriages.
- 2.13 Should Cabinet 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 Cabinet before the variation is implemented.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1 This report has been screened for evidence of the Five Ways of Working and how it may contribute to our Well-being Objectives.
- 3.2 Prevention and collaboration: the purpose of this regulatory function is to protect the public through approved meter tariffs.
- 3.3 Involvement: Any increase in taxi fares is subject to public consultation before the Council may consider any changes.
- 3.4 Collaboration: The Council meets with the taxi trade who are a representative body for local businesses to discuss regulatory and other topics relevant to the trade.

### **4. Resources and Legal Considerations**

#### **Financial**

- 4.1 In accordance with the Local Government (Miscellaneous Provisions) Act 1976, a public notice will be published in a local newspaper. As a cost neutral service, all associated costs will be met within existing budgets.

#### **Employment**

- 4.2 None.

#### **Legal (Including Equalities)**

- 4.3 The Council may fix or vary the rate of fare for the hire of a hackney carriage 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.

## **5. Background Paper**

### **5.1 [Private Hire and Taxi Monthly](#)**

## Hackney Carriage Tariffs

Vale of Glamorgan Council Local Government (Miscellaneous Provisions) Act 1976 -  
Authorised Maximum Fare Tariffs

<b>Tariff 1</b>	
First 1/2 of a mile or part thereof	£ 3.00
For each subsequent one-tenth of a mile or part thereof	£ 0.20
Waiting Time - Applies to all tariffs at £16 per hour based on units of a second	
Extra Charges (for all tariffs)	Nil
<b>Tariff 2</b>	
11.00pm to 6.00am everyday. All day Sundays and Bank Holidays. First 1/2 mile or part thereof.	£ 3.00
For each subsequent one-tenth of a mile or part thereof.	£ 0.25
<b>Tariff 3</b>	
6.00pm December 24 to 6.00am 27 December 6.00pm December 31 to 6.00am 2 January	£4.50
For each subsequent one-tenth of a mile or part thereof.	£0.30
<b>Tariff 4 (For MPVs &amp; Minibuses carrying 5 to 8 passengers)</b>	
First 1/2 of a mile or part thereof	£3.50
For each subsequent one-tenth of a mile or part thereof.	£0.26
<b>Tariff 5 (For MPVs &amp; Minibuses carrying 5 to 8 passengers)</b>	
11.00pm to 6.00am everyday. All day Sundays and Bank Holidays. First 1/2 mile or part thereof.	£ 3.80
For each subsequent one-tenth of a mile or part thereof.	£ 0.30
<b>Tariff 6 (For MPVs &amp; Minibuses carrying 5 to 8 passengers)</b>	
6.00pm December 24 to 6.00am 27 December 6.00pm December 31 to 6.00am 2 January	£5.25
For each subsequent one-tenth of a mile or part thereof.	£0.39
Maximum charge for cleansing the interior of the vehicle	£ 60.00



Fares for journeys outside the Vale of Glamorgan Council area and in respect of which no fare or rate of fare was agreed before the hiring was effected, must not exceed the authorised fare tariff as shown above.

**Miles Punter**

Director of Environment and Housing Services

23 July 2018

## APPENDIX B

**From:** [REDACTED]

**Sent:** 25 October 2021 14:01

**To:** Witchell, Yvonne [REDACTED]

**Subject:** Meter increase

Hi, Yvonne

At last weeks meeting we mentioned a meter increase. I believe you said I needed to contact you formerly to start the process in motion. Please forgive me if this is incorrect, I am still learning the ropes in dealing with my new role.

We would like if possible a 5p increase across the board on all tarrifs including 10ths of a mile. Fuel prices, and other costs have recently gone through the roof and we are also struggling to get new drivers into the sector. I believe that an increase would help keep existing drivers afloat and possibly encourage new blood.

If you would like to discuss this further I am available any time on [REDACTED]

Regards

John Lewis

Branch Secretary Unite the Union Vale of Glamorgan Taxis.

Hi Yvonne,

As previously discussed, we enclose our proposal for Taxi Tariff increases, as agreed by the Vale of Glamorgan Taxi Union members at our December meeting.

There are many reasons for this request. Firstly, fuel prices have risen in the last 12 months from 114.5p to 147.7p. This is an increase of 29% year on year according to the RAC/Experian.

According to a Wales Online article, the Vale of Glamorgan has shown the largest house price increase annually of 24% in South Wales and second only to Conwy in the whole country.

Inflation is currently at 2.19% up by .85% compared to the previous year. It is thought that the Bank of England will soon need to increase interest rates to combat future rising costs of goods and services. This directly leads on to the cost of parts and labour.

Industry regulator Ofgem announced it would lift the maximum cap on energy deals for the coming winter by more than 12% after the wholesale electricity market soared to a record high. This will impact an average household by an increase of £139 a year, according to The Guardian.

We look forward to your feedback.

Stephen Rees, Chairman Unite Union VOG Taxis

John Lewis, Secretary Unite Union VOG Taxis

Tariff	Half Mile	Current Tariff	1 Mile fare	2 Mile fare	Half Mile
1	3.00	2.00	4.00	6.00	3.00
2	3.00	2.50	4.25	6.75	3.00
3	4.50	3.00	6.00	9.00	4.50
4	3.50	2.60	4.80	7.40	3.50
5	3.50	3.00	5.00	8.00	3.50
6	5.25	3.90	7.20	11.10	5.25

Tariff	Proposed Tariff	! Mile Fare	%age Increase	2 Mile Fare	%age Increase
1	2.50	4.25	6.25	6.75	12.50
2	3.00	4.50	5.88	7.50	11.11
3	3.75	6.38	6.25	10.13	12.50
4	3.10	5.05	5.21	8.15	10.14
5	3.50	5.25	5.00	8.75	9.38
6	4.65	7.58	5.21	12.23	10.14

## Main points

- The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 4.6% in the 12 months to November 2021, up from 3.8% in the 12 months to October.
- The largest upward contributions to the November 2021 CPIH 12-month inflation rate came from transport (1.34 percentage points, principally from motor fuels and second-hand cars) and housing and household services (1.28 percentage points).
- On a monthly basis, CPIH increased by 0.6% in November 2021, compared with a fall of 0.1% in November 2020.
- The upward contributions to the change in the CPIH 12-month inflation rate between October and November 2021 were broad based, with the largest coming from transport (particularly motor fuels), and clothing and footwear.
- These were partially offset by a large downward contribution from restaurants and hotels.
- The Consumer Prices Index (CPI) rose by 5.1% in the 12 months to November 2021, up from 4.2% in October.
- On a monthly basis, CPI increased by 0.7% in November 2021, compared with a fall of 0.1% in November 2020.

SOURCE OF INFORMATION: <https://www.bankofengland.co.uk/monetary-policy/inflation>

# Fuel price report (November 2021)

Unleaded prices have increased from 141.4 p/litre last month to 146.9 p/litre now. Diesel prices have gone up from 144.9 p/litre to 150.5 p/litre. The price difference between diesel and unleaded has grown to 3.6 p/litre.

**The South East** has recorded the highest price for **unleaded** at 147.7 p/litre. **Northern Ireland** has recorded the lowest price for **unleaded** at 144.6 p/litre. **The South East** has recorded the highest **diesel** price at 151.3 p/litre. **Northern Ireland** has the cheapest **diesel** at 146.8 p/litre.

Supermarket prices for **unleaded** now average 145.0 p/litre. The gap between supermarket prices and the UK average for **unleaded** has shrunk to 1.9 p/litre.

Garages and Supermarkets	Unleaded 95 Octane (pence)		Diesel (pence)		Super Unleaded (pence)		LPG (pence)
	litres	(gallons)	litres	(gallons)	litres	(gallons)	litres
Northern Ireland	144.6	657.4	146.8	667.4	150.6	684.6	0.0
Scotland	146.6	666.5	150.7	685.1	155.5	706.9	64.8
Wales	146.7	666.9	150.3	683.3	157.8	717.4	62.7
North East	146.1	664.2	149.8	681.0	156.1	709.6	76.3
North West	146.8	667.4	150.1	682.4	158.1	718.7	62.7
Yorkshire & Humberside	146.2	664.6	150.2	682.8	157.6	716.5	0.0
West Midlands	146.8	667.4	150.5	684.2	158.0	718.3	85.9
East Midlands	146.9	667.8	150.4	683.7	157.6	716.5	67.8
Essex and East Anglia	147.4	670.1	150.8	685.6	157.6	716.5	65.8
London	147.1	668.7	150.5	684.2	159.5	725.1	0.0
South East	147.7	671.5	151.3	687.8	159.7	726.0	72.7
South West	147.1	668.7	151.0	686.5	157.7	716.9	0.0
<b>UK AVERAGE</b>	<b>146.9</b>	667.8	<b>150.5</b>	684.2	<b>156.7</b>	712.4	<b>68.9</b>
Per cent taken as Tax		56.1		55.2		53.7	

Supermarkets	Unleaded 95 Octane		Diesel		Super unleaded		LPG
	Litres	(gallons)	litres	(gallons)	litres	(gallons)	litres
<b>SUPERMARKET AVERAGE</b>	<b>145.0</b>	<b>659.2</b>	<b>148.2</b>	<b>673.7</b>	<b>152.3</b>	<b>692.4</b>	<b>64.9</b>
Per cent taken as Tax		56.6		55.8		54.7	

The AA's fuel price report uses data sourced from Experian Catalist ([www.catalist.com](http://www.catalist.com)) They're an average of mid-month prices from the respective regions.

# Fuel price report (November 2021)

## EUROPE AND THE USA

Sources of overseas price comparisons:

European prices

- ec.europa weekly oil bulletins (15 November 2021)
- TCS Information Services (12 November 2021)

USA prices

- Energy Information Administration, US Dept. of Energy (15 November 2021)

Country	Currency	Local Currency per litre		UK pence per litre	
		Unleaded	Diesel	Unleaded	Diesel
Austria	Euro	1.44	1.42	121.87	120.18
Belgium	Euro	1.69	1.68	142.91	142.77
Czech Republic	Czech Koruna	37.18	36.13	124.52	121.01
Denmark	Danish Krone	14.04	11.99	160.84	137.36
Finland	Euro	1.86	1.68	157.97	142.04
France	Euro	1.66	1.56	140.60	132.01
Germany	Euro	1.76	1.57	149.16	133.31
Greece	Euro	1.77	1.51	149.84	128.31
Netherlands	Euro	2.01	1.64	170.43	139.16
Hungary	Forint	479.59	479.79	112.13	112.18
Ireland	Euro	1.72	1.62	145.65	137.33
Italy	Euro	1.75	1.61	148.28	136.69
Luxembourg	Euro	1.53	1.39	129.33	118.14
Estonia	Euro	1.57	1.37	133.31	116.11
Norway	Norwegian Krone	19.03	17.82	157.45	147.44
Latvia	Euro	1.52	1.39	128.82	118.21
Lithuania	Euro	1.47	1.37	124.31	115.88
Poland	Zloty	6.00	6.00	111.08	111.08
Slovakia	Euro	1.50	1.40	127.13	118.23
Slovenia	Euro	1.37	1.47	116.24	124.89
Portugal	Euro	1.73	1.54	146.53	130.60
Spain	Euro	1.51	1.39	128.23	117.43
Sweden	Swedish Krona	18.01	19.05	149.39	158.02
Switzerland	Swiss Francs	1.83	1.88	149.71	153.80
United States of America	US Dollars	0.90	0.99	67.90	74.69
Malta	Euro	1.34	1.21	113.57	102.55
Bulgaria	Leva	2.37	2.39	103.24	104.12
Cyprus	Euro	1.37	1.45	115.73	122.47
Romania	New Leu	6.22	6.27	107.13	108.00