

Meeting of:	<b>Cabinet</b>
Date of Meeting:	<b>Thursday, 19 December 2024</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 Community Engagement, Equalities and Regulatory Services
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	Committee Reports Finance
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 19th February 2025 (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 Community Engagement, Equalities and Regulatory 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 14th April 2022 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 Vale Taxis Unite. A copy of the request is attached at Appendix B.

## 2. Key Issues for Consideration

**2.1** The application proposes increases across all tariffs along with an increase in waiting time. All other charges such as 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.

Tariff	Current	Proposed	% increase
Tariff 1			
1 mile	4.30	4.50	5%
2 miles	6.80	7.30	7%
3 miles	9.30	10.10	8%
4 miles	11.80	12.90	9%
5 miles	14.30	15.70	10%
10 miles	26.80	29.70	11%

Tariff 2	Current	Proposed	% increase
11.00pm to 6.00am everyday. All day Sundays and Bank Holidays.			
1 mile	4.55	4.75	4%
2 miles	7.55	8.05	7%
3 miles	10.55	11.35	8%
4 miles	13.55	14.65	8%
5 miles	16.55	17.95	8%
10 miles	31.55	34.45	9%

Tariff 3	Current	Proposed	% increase
6.00pm December 24 to 6.00am 27 December			
6.00pm December 31 to 6.00am 2 January			
1 mile	6.30	6.65	6%
2 miles	9.80	10.65	9%
3 miles	13.30	14.65	10%
4 miles	16.80	18.65	11%
5 miles	20.30	22.65	12%
10 miles	37.80	42.65	13%

Tariff 4	Current	Proposed	% increase
(For MPVs & Minibuses carrying 5 to 8 passengers)			
1 mile	5.10	5.80	14%
2 miles	8.20	9.40	15%
3 miles	11.30	13.00	15%
4 miles	14.40	16.60	15%
5 miles	17.50	20.20	15%

10 miles	33.00	38.20	16%
----------	-------	-------	-----

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	5.60	6.25	12%
2 miles	9.10	10.15	12%
3 miles	12.60	14.05	12%
4 miles	16.10	17.95	11%
5 miles	19.60	21.85	11%
10 miles	37.10	41.35	11%

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	7.50	8.70	16%
2 miles	11.90	14.10	17%
3 miles	16.30	19.50	20%
4 miles	20.70	24.90	20%
5 miles	25.10	30.30	21%
10 miles	30.30	57.30	22%

**2.3** Vale Taxis Unite have advised that they have favoured a larger percentage increase for MPV's due to the higher cost of purchase and repair.

**2.4** The league tables published by [Private Hire Monthly Magazine](#) shows the highest and lowest fares in England and Wales, together with the 22 Welsh Authorities at time of publication of this report.

Council	Place in National Table	Tariff 1 for Two mile Fare
London Heathrow	1	£13.00
Monmouthshire	106	£7.60
Cardiff	115	£7.50
Carmarthenshire	182	£7.00
Newport	190	£7.00
Pembrokeshire	191	£7.00
Swansea	193	£7.00
Bridgend	205	£6.80
Ceredigion	207	£6.80
Vale of Glamorgan	224	£6.80

Conwy	242	£6.60
Torfaen	264	£6.50
Blaenau Gwent	267	£6.40
Ynys Mon	278	£6.30
Neath Port Talbot	295	£6.10
Denbighshire	302	£6.00
Gwynedd	303	£6.00
Powys	307	£6.00
Rhondda Cynon Taff	309	£6.00
Flintshire	319	£5.80
Merthyr	321	£5.80
Caerphilly	323	£5.70
Wrexham	327	£5.60
Bolsover	337	£4.60

- 2.5** The Vale of Glamorgan is currently in position 224 in the two-mile fare league table out of 337 Local Authorities returning results, as published in the October 2024 online edition of Private Hire & Taxi Monthly. For the Welsh Authorities, the Vale of Glamorgan is the ninth highest in Wales and the proposed increase to £7.30 on the two-mile fare would move the Vale of Glamorgan to the third highest in the table. However, this position will change very quickly if other Authorities are currently approving tariff applications from the trade.
- 2.6** 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 C. The current rate of inflation quoted by the [Bank of England](#) is 1.7 %.
- 2.7** The AA Fuel Price Report shows that the cost of diesel and Unleaded 95 Octane petrol has been decreasing overall in Wales, although it should be noted that the reported cost for diesel in accordance with the March 2024 report (Appendix D) show that it is back above levels when the previous tariff request was submitted in November 2021.
- 2.8** The latest report (detailed in Appendix D) shows that the Welsh cost for Unleaded 95 Octane is £144.2 per litre and diesel is £152.8 per litre, and during the previous increase request the cost was at 146.7 per litre and 150.3 per litre respectively. Should there be any updated figures, these will be available at the meeting.
- 2.9** The trade has highlighted the following from their research:
- Inflation has risen 3.1% over the 12 months to July 2024 [Office for National Statistics].

- In April 2024 used car prices increased, on average, by 32.2% year over year [Autotrader].
- The Halifax House Price Index in the UK increased 4.3% year-over-year in August 2024, the biggest rise since November 2022 [Trading Economics].
- 12-month inflation rate for gas and electricity are at their highest level since early 2009 with gas at 28.1% and electricity at 18.8% which is set to rise again [Ofgem].
- Price of food and non-alcoholic beverages rose by 7% in the year to January 2024 [Office of National Statistics].

See Appendix B for full details.

- 2.10** 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.
- 2.11** 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. Climate Change and Nature Implications**

- 4.1** None

## **5. Resources and Legal Considerations**

### **Financial**

- 5.1 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**

- 5.2 None.

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

- 5.3 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.

## **6. Background Papers**

- 6.1 AA Fuel Price Reports, Private Hire and Taxi Monthly, Bank of England website and House of Commons Library website.

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	£3.05
For each subsequent one-tenth of a mile or part thereof	£0.25
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.	£ 3.05
For each subsequent one-tenth of a mile or part thereof.	£0.30
<b>Tariff 3</b>	
6.00pm December 24 to 6.00am 27 December 6.00pm December 31 to 6.00am 2 January  First 1/2 mile or part thereof.	£4.55
For each subsequent one-tenth of a mile or part thereof.	£0.35

<b>Tariff 4 (For MPVs &amp; Minibuses carrying 5 to 8 passengers)</b>	
First 1/2 of a mile or part thereof	£3.55
For each subsequent one-tenth of a mile or part thereof.	£0.31
<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.	£3.85
For each subsequent one-tenth of a mile or part thereof.	£0.35

<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  First 1/2 mile or part thereof.	£5.30
For each subsequent one-tenth of a mile or part thereof.	£0.44
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  
14 April 2022

# VOG Taxi Meter Rise Request 2024

The taxi trade proposes a Taxi tariff increase as agreed by the Vale of Glamorgan Taxi Union members.

The last increase to the tariff was in April 2022, over 2 years ago.

Inflation has risen 3.1% over the 12 months to July 2024(<https://www.ons.gov.uk/economy/inflationandpriceindices>).

In April 2024 used car prices increased, on average, by 32.2% YOY ([www.autotraderinsight-blog.co.uk](http://www.autotraderinsight-blog.co.uk)).

The Halifax House Price Index in the UK increased 4.3% YOY in August 2024, the biggest rise since November 2022 ( [tradingeconomics.com](http://tradingeconomics.com)).

Despite the general fall in prices since early 2023, Currently 12-month inflation rates for gas and electricity are at their highest level since early 2009 with gas at 28.1% and electricity at 18.8%. This is set to rise again this month (<https://www.ofgem.gov.uk/news/new-energy-price-cap-level-october-december-2024-starts-today>).

Prices of food and non-alcoholic beverages rose by 7% in the year to January 2024 ([https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costoflivinginsights/food#:~:text=Food%20price%20inflation%20falls%20to,%20housing%20costs%20\(CPIH\)](https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costoflivinginsights/food#:~:text=Food%20price%20inflation%20falls%20to,%20housing%20costs%20(CPIH))).

We are currently 218 in the National Hackney Fare Table.

Below are the existing and proposed tariffs.

We look forward to your feedback.

Stephen Rees, Chairman Unite Union VOG Taxis

John Lewis, General Secretary Unite Union VOG Taxis

Tariff	Half Mile	Current Tariff per mile	1 Mile Fare	2 Mile Fare
1	3.05	2.50	4.30	6.80
2	3.05	3.00	4.55	7.55
3	4.55	3.50	6.30	9.80
4	3.55	3.10	5.10	8.20
5	3.85	3.50	5.60	9.10
6	5.30	4.40	7.50	11.90

Tariff	Half Mile	Proposed Tariff per Mile	1 Mile Fare	%age Increase	2 Mile Fare	%age Increase
1	3.10	2.80	4.50	4.65	7.30	7.35
2	3.10	3.30	4.75	5.88	8.05	6.62
3	4.65	4.00	6.65	5.56	10.65	8.67
4	4.00	3.60	5.80	13.72	9.40	14.63
5	4.30	3.90	6.25	11.60	10.15	11.54
6	6.00	5.40	8.70	16	14.10	18.48

Cleaning cost to stay the same at £60. Waiting time increase from £16 to £18 per hour.

We have favoured a larger percentage increase for the MPV's due to the mcu higher costs of purchase and repair. Also, due to the extreme shortage of the number of them in the Vale. We feel the higher costs are putting off prospective MPV drivers due to the lack of reward.

### **Inflation rate from 2021 to 2024**

- The UK inflation rate, as measured by the Consumer Prices Index (CPI), rose almost continuously from under 1% in early 2021 to 11.1% in October 2022.
- The inflation rate then declined dropping to 2.0% in May 2024.
- Over a three-year period between May 2021 and May 2024, UK consumer prices increased by 20.8% in total.
- The increase in inflation seen in 2021 and 2022 was mainly due to international factors which included: strong global demand for consumer goods (consequence of Covid-19), related supply chain disruption and soaring energy and fuel prices particularly, but not exclusively, due to Russia's full-scale invasion of Ukraine in February 2022.
- The annual rate of so-called "core inflation", which excludes the volatile energy and food components of the CPI, peaked at 7.1% in May 2023, its highest rate since 1992. Services inflation also hit a 31-year high of 7.4% in spring/summer 2023.
- Core inflation was 3.5% in May 2024, the lowest it has been since October 2021. Services inflation did not fall as quickly and was 5.7% in May 2024.

Source of information: [Rising cost of living in the UK - House of Commons Library](#)

# Fuel price report (March 2024)

Unleaded prices have risen from 143.5 p/litre last month to 145.3 p/litre now. Diesel prices have gone up from 152.5 p/litre to 153.9 p/litre. The price difference between diesel and unleaded has shrunk to 8.6 p/litre.

**London** has recorded the highest price for **unleaded** at 146.7 p/litre. **Northern Ireland** has recorded the lowest price for **unleaded** at 139.1 p/litre. **London** has recorded the highest **diesel** price at 154.8 p/litre. **Northern Ireland** has the cheapest **diesel** at 148.1 p/litre.

Supermarket prices for **unleaded** now average 142.2 p/litre. The gap between supermarket prices and the UK average for **unleaded** has grown to 3.1 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	139.1	632.4	148.1	673.3	148.6	675.5	89.9
Scotland	144.9	658.7	153.3	696.9	161.2	732.8	99.7
Wales	144.2	655.5	152.8	694.6	157.7	716.9	0.0
North East	144.3	656.0	152.6	693.7	161.5	734.2	99.8
North West	145.0	659.2	153.3	696.9	159.6	725.6	99.7
Yorkshire & Humberside	144.5	656.9	152.8	694.6	160.3	728.7	99.7
West Midlands	145.6	661.9	153.3	696.9	161.2	732.8	0.0
East Midlands	145.4	661.0	153.5	697.8	161.5	734.2	0.0
Essex and East Anglia	145.9	663.3	153.5	697.8	161.2	732.8	0.0
London	146.7	666.9	154.8	703.7	163.9	745.1	0.0
South East	146.1	664.2	154.6	702.8	162.6	739.2	99.9
South West	145.2	660.1	153.2	696.5	160.8	731.0	0.0
<b>UK AVERAGE</b>	<b>145.3</b>	660.5	<b>153.9</b>	699.6	<b>161.7</b>	735.1	<b>98.3</b>
Per cent taken as Tax		53.1		51.1		49.4	

Supermarkets	Unleaded 95 Octane		Diesel		Super unleaded		LPG
	Litres	(gallons)	litres	(gallons)	litres	(gallons)	litres
<b>SUPERMARKET AVERAGE</b>	<b>142.2</b>	<b>646.5</b>	<b>151.3</b>	<b>687.8</b>	<b>151.0</b>	<b>686.5</b>	<b>99.8</b>
Per cent taken as Tax		53.9		51.7		51.7	

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 (March 2024)

## EUROPE AND THE USA

Sources of overseas price comparisons:

European prices

- ec.europa weekly oil bulletins (4 April 2024)
- TCS Information Services (5 April 2024)

USA prices

- Energy Information Administration, US Dept. of Energy (18 March 2024)

Country	Currency	Local Currency per litre		UK pence per litre	
		Unleaded	Diesel	Unleaded	Diesel
Austria	Euro	1.64	1.68	140.54	144.14
Belgium	Euro	1.72	1.83	147.32	156.92
Czech Republic	Czech Koruna	38.50	38.53	130.35	130.46
Denmark	Danish Krone	15.36	13.00	176.67	149.53
Finland	Euro	1.90	1.76	163.18	151.51
France	Euro	1.89	1.74	162.17	148.95
Germany	Euro	1.94	1.71	166.81	146.55
Greece	Euro	1.63	1.64	139.66	141.10
Netherlands	Euro	2.05	1.80	176.25	154.36
Hungary	Forint	627.72	647.84	138.13	142.56
Ireland	Euro	1.74	1.73	149.00	148.86
Italy	Euro	1.89	1.79	162.02	153.93
Luxembourg	Euro	1.63	1.56	139.76	133.67
Estonia	Euro	1.78	1.60	152.98	137.02
Norway	Norwegian Krone	23.53	21.17	174.00	156.55
Latvia	Euro	1.71	1.67	146.63	143.11
Lithuania	Euro	1.52	1.53	130.62	131.46
Poland	Zloty	6.56	6.77	131.47	135.68
Slovakia	Euro	1.66	1.57	142.08	134.78
Slovenia	Euro	1.52	1.55	130.10	133.28
Portugal	Euro	1.80	1.62	154.19	139.08
Spain	Euro	1.65	1.54	141.30	132.37
Sweden	Swedish Krona	18.89	18.68	140.97	139.41
Switzerland	Swiss Francs	1.90	1.99	166.20	174.07
United States of America	US Dollars	0.91	1.06	72.09	83.97
Malta	Euro	1.34	1.21	115.04	103.88
Bulgaria	Leva	2.60	2.69	114.02	117.97
Cyprus	Euro	1.51	1.59	129.78	136.66
Romania	New Leu	7.19	7.43	124.13	128.28