

# The Cabinet

8<sup>th</sup> June 2005

# REPORT

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**Councillor D Brown : Cabinet Member for Environment & Transport**

## HACKNEY CARRIAGE FARE INCREASE

### 1. Report summary:

For the Cabinet to consider a proposal from the taxi trade for a fare increase in 2005.

### 2. Report:

It is the Council's policy to review taxi fares annually. The last fare increase was introduced on the 1<sup>st</sup> November 2003. Since 1996 this Council has declared a "Maximum Tariff" for taxi fares. Prior to this there was a "Fixed Tariff" and drivers were legally bound to charge the fare displayed on the meter. The introduction of the "Maximum Tariff" allowed drivers to legally charge anything up to the maximum fare displayed i.e. to give discounts.

### 3. Consultation:

A consultation exercise is undertaken on each occasion that taxi fares are reviewed. Each hackney carriage licence holder is sent a pro-forma with a request that they indicate whether or not they are in favour of an increase and if so the reason for this.

At a Taxi Liaison Panel meeting held on Thursday 21<sup>st</sup> April 2005, a fare increase in 2005 was discussed. The result of the consultation with the trade revealed that of the 27 replies received (approximately 30%) 26 were in favour of a fare increase. The majority proposed an increase in the "pull off" charge ranging from £1.80 to £3.00 for tariff one and £2.20 to £4.00 for tariff two, plus a 10% increase in the mileage charge. The reasons given were large increases in the cost of insurance and fuel and to a lesser degree in maintenance and employee costs. After a discussion the trade members of the panel proposed the fare increase as set out in the attached Appendix A.

### 4. Recommendation:

That the Cabinet approve the proposed fare increase to the taxi tariff as set out in Appendix A.

### 5. Background Papers:

- Letter to all licensed Hackney Carriage Proprietors.
- Pro-forma replies and results.
- Proposed tariffs discussed by the Taxi Liaison Panel.

### 6. Implications:

- **Financial:**
  1. Printing of new fare tariffs.
  2. Advertising changes in local press.
- **Legal:** Under the Local Government (Miscellaneous Provisions) Act 1976 a District Council is empowered to:
  1. Fix the rates of fares within the District.
  2. Vary the rates of fares, but when doing so must publish the variation in at least one local newspaper, allowing 14 days for objections to be made.
- **Human Rights:** The Human Rights relating to this have been considered and any interference with them is justified.
- **Personnel:** None.
- **Community Safety:** None.
- **Environmental implications:** None.
- **Council's Core Values:** Providing a flexible and responsive service by consultation, fairness and equality.
- **Wards Affected:** All.

**PRESENT TARIFF**

|                                                                                                              |                                          |                                                  |                                                          |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------|----------------------------------------------------------|
| <b>Tariff One</b><br>7 am – 11 pm                                                                            | First 220 yards or part thereof<br>£1.50 | Each subsequent 220 yards or part thereof<br>20p | Waiting time for each 60 seconds (= £12 per hour)<br>20p |
| <b>Tariff Two</b><br>11pm to 7 am and on all Public Holidays with the exception of those covered by Tariff 3 | First 352 yards of part thereof<br>£2.00 | Each subsequent 176 yards or part thereof<br>20p | Waiting time for each 48 seconds (=£15 per hour)<br>20p  |
| <b>Tariff Three</b><br>Christmas Day and New Years Day                                                       | First 440 yards or part thereof<br>£3.00 | Each subsequent 220 yards or part thereof<br>40p | Waiting time for each 60 seconds (=£18 per hour)<br>30p  |

**PROPOSED TARIFF**

|                                                                                                              |                                                  |                                                  |                                                          |
|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|----------------------------------------------------------|
| <b>Tariff One</b><br>7 am – 11 pm                                                                            | First mile (1760 yards) or part thereof<br>£3.00 | Each subsequent 352 yards or part thereof<br>35p | Waiting time for each 60 seconds (= £12 per hour)<br>20p |
| <b>Tariff Two</b><br>11pm to 7 am and on all Public Holidays with the exception of those covered by Tariff 3 | First mile (1760 yards) of part thereof<br>£4.00 | Each subsequent 320 yards or part thereof<br>40p | Waiting time for each 48 seconds (=£15 per hour)<br>20p  |
| <b>Tariff Three</b><br>Christmas Day and New Years Day                                                       | First mile (1760 yards) or part thereof<br>£6.00 | Each subsequent 352 yards or part thereof<br>70p | Waiting time for each 60 seconds (=£18 per hour)<br>30p  |

A breakdown of the proposal with percentage increases are shown below.

|                     |                                                    |                 |               |
|---------------------|----------------------------------------------------|-----------------|---------------|
| <b>Tariff One</b>   | <b>Existing</b>                                    | <b>Proposed</b> | <b>Change</b> |
| 1 mile journey      | £2.90                                              | £3.00           | + 10p (3.4%)  |
|                     | Each subsequent mile increased from £1.60 to £1.75 |                 | + 15p (9.3%)  |
| <b>Tariff Two</b>   | <b>Existing</b>                                    | <b>Proposed</b> | <b>Change</b> |
| 1 mile journey      | £3.60                                              | £4.00           | + 40p (11%)   |
|                     | Each subsequent mile increased from £2.00 to £2.20 |                 | +20p (10%)    |
| <b>Tariff Three</b> | <b>Existing</b>                                    | <b>Proposed</b> | <b>Change</b> |
| 1 mile journey      | £5.40                                              | £6.00           | + 60p (11%)   |
|                     | Each subsequent mile increased from £3.20 to £3.50 |                 | +30p (10%)    |