

Report

Report Subject : Hackney Carriage Fare Increase

Report to : The Cabinet

Date : Wednesday 06 September 2006

Author : John Webb

Cabinet Member for Environment & Transport : Councillor Dennis Brown

1. Report summary:

For the Cabinet to consider a proposal from the taxi trade for a fare increase in 2006.

2. Report:

Since 1996 this Council has declared a "Maximum Tariff" for taxi fares. The tariff set by the Council must be displayed on the meter but the driver can lawfully charge any amount up to the maximum fare displayed i.e. give discounts. This is a favoured practice by the trade when carrying regular customers or for the longer journeys.

It is the Council's policy to review taxi fares annually. In previous years the taxi trade have been very reluctant to increase the "pull off" charge (amount shown on the meter before you start your journey) and previous increases were mainly achieved by reducing the yardage (distance travelled). The trade have always maintained that the first mile of a journey is the most expensive for them and the "pull off" charge is an important component of this, as well as representing the minimum charge. In an effort to address this, the proposed increase for this year includes a higher percentage increase on the "pull off" charge with a minimal increase on the yardage charge.

There are other proposed increases in relation to the "extras" that can be charged (use of the boot, each dog carried, each person carried in excess of one) from 20p to 40p and the soiling charge from £50 to £75. These two charges have not been increased since 1st June 1992. It should be noted that "extras" are optional and most drivers do not charge them. With the soiling charge it must be bourn in mind that if a customer is sick in a vehicle, it is not only the cost of getting the vehicle valetted but also the loss of earnings whilst the vehicle is off the road.



Awarded in:
Housing Services
Waste and Recycling Services



3. Consultation:

A consultation exercise is undertaken on each occasion that taxi fares are reviewed. Each 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 reasons for this and any proposals they wish to be considered. This exercise was carried out after a Taxi Liaison Panel Meeting held on Thursday 27th April 2006. At a further meeting on Thursday 22nd June 2006, the results of the consultation exercise were discussed. Of the 32 (29%) replies received 28 were in favour of a fare increase. They quoted the large increase in fuel prices in the last year, ever increasing insurance, maintenance and garage bills as the reasons for this. The Panel discussed the various suggestions from the trade and the fare increase as set out in the attached Appendix A was proposed.

4. Recommendation:

That 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.

6. Implications:

- **Financial:**
 1. Printing of new fare tariffs.
 2. Advertising charges in the local press.These costs are covered from existing budgets.
- **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
- **ICT** : None
- **Environmental** : None
- **Council's Core Values** : Providing a flexible and responsive service by consultation, fairness and equality.
- **Wards Affected** : All

PRESENT TARIFF

Tariff One 7 am – 11 pm	First 704 yards (2/5 th of a mile) or part thereof £2.00	Each subsequent 352 yards (1/5 th of a mile) or part thereof 35p	Waiting time for each 105 seconds (= £12 per hour) 35p
Tariff Two 11pm to 7 am and on all Public Holidays with the exception of those covered by Tariff 3	First 800 yards (5/11 th of a mile) of part thereof £2.80	Each subsequent 320 yards (2/11 th of a mile) or part thereof 40p	Waiting time for each 96 seconds (=£15 per hour) 40p
Tariff Three Christmas Day and New Years Day	First 704 yards (2/5 th of a mile) or part thereof £4.00	Each subsequent 352 yards (1/5 th of a mile) or part thereof 70p	Waiting time for each 140 seconds (=£18 per hour) 70p

A breakdown of the existing tariff is shown below:-

Tariff One:-	£2 pull off + (3 x 35p = £1.05p) =£3.05p first mile Each subsequent mile = 5 x 35p = £1.75p
Tariff Two:-	£2.80 pull off + (3 x 40p = £1.20p) = £4.00 first mile Each subsequent mile = 5.5 x 40p = £2.20p
Tariff Three:-	Double Tariff One

PROPOSED TARIFF

Tariff One 7 am – 11 pm	First 585 yards (3/9 th of a mile) or part thereof £2.20	Each subsequent 195 yards (1/9 th of a mile) or part thereof 20p	Waiting time for each 60 seconds (= £12 per hour) 20p
Tariff Two 11pm to 7 am and on all Public Holidays with the exception of those covered by Tariff 3	First 585 yards (3/9 th of a mile) or part thereof £3.00	Each subsequent 195 yards (1/9 th of a mile) or part thereof 25p	Waiting time for each 60 seconds (=£15 per hour) 25p
Tariff Three Christmas Day and New Years Day	First 585 yards (3/9 th of a mile) or part thereof £4.40	Each subsequent 195 yards (1/9 th of a mile) or part thereof 40p	Waiting time for each 80 seconds (=£18 per hour) 40p

A breakdown of the proposed increase, with percentage increases are shown below:-

Tariff One:-	£2.20 pull off + (6 x 20p = £1.20p) = £3.40p first mile (11.5% increase) Each subsequent mile = 9 x 20p = £1.80p (2.8% increase)
Tariff Two:-	£3.00 pull off + (6 x 25p = £1.50p) = £4.50p first mile (12.5% increase) Each subsequent mile = 9 x 25p = £2.25p (2.2% increase)
Tariff Three:-	Remains double Tariff One
Extras:-	Use of the boot, each dog carried, each person carried in excess of one, from 20p to 40p
Soiling Charge:-	From £50 to £75