

HACKNEY CARRIAGE TARIFF REVIEW

1 SUMMARY

- 1.1 Members to consider a review of taxi fares for Hackney Carriages licensed by the Council and to approve a schedule and effective date.

2 INTRODUCTION

- 2.1 The Council has powers to fix the fare structure for Hackney Carriages licensed by it. The fare structure was last reviewed in September 2001 and was implemented from 1 November in time for the pre-Christmas trade although, traditionally, the effective date in past years has been around 1 October.
- 2.2 Any amendment to the tariff needs to be advertised in the local press and objections sought. Any such objection must be referred back to the appropriate Committee for consideration. If the tariff is not confirmed and is amended the advertising process needs to be repeated.
- 2.3 At a meeting of this Sub-Committee held on 17 July, Members indicated that all future fare structures should be based solely on the headline retail price (RPI) rate rounded up to the nearest whole number, plus an additional 1%. The Chairman also asked that cognisance be taken of the Vehicle and Transport related RPIs.
- 2.4 Members felt that there would be merit in referring also to fare tariffs operating in Maldon and Uttlesford District Council areas and Castle Point Borough Council. These tariffs are shown in paragraph 5.1 below.

3 RETAIL PRICE INDICES

- 3.1 The Office for National Statistics provides information on a number of sectorised indices. Reference in this report is made to two. They are All Items RPI (generally referred to as the 'headline' RPI) and the Motoring Expenditure RPI which is in itself an amalgam of four other RPIs. These are:-

- Purchase of motor vehicles
- Maintenance of motor vehicles
- Petrol and oil
- Vehicle tax and insurance

- 3.2 The Office of National Statistics (ONS) now maintains the data source for Retail Price Indices. ONS were contacted to establish the April 'year on year' change in the aforementioned RPIs. These have been established as:--

	April 2001	April 2002	Change
All Items	170.3	173.3	+1.76%
Motoring Expenditure	179.7	178.1	-0.89%

- 3.3 The Motoring Expenditure RPI has been distorted by a significant (8.5%) reduction in the petrol and oil indices (caused by fallout from the fuel crisis of September 2000) so the Head of Service has based calculation on the "All Items" index which shows a 1.76% increase. In accordance with the Sub-Committee's proposals this should be rounded-up to the nearest whole number plus 1% giving a calculation factor of 3%.

- 3.4 As Members have always advocated that the "cost per distance" unit should be in multiples of 20 pence and the overall tariff in multiples of 10 pence to avoid change-giving difficulties, the philosophy has been maintained for this exercise. The reasoning behind this philosophy is that when smaller monetary and distance units are used the taxi meter advances at a 'psychologically' alarming rate which is disliked by drivers and passengers alike. In view of the foregoing, the simplest mechanism for creating a uniform 3% increase is to keep the monetary units in the table tariff and to reduce the distance/time units. In effect the same money would purchase 3% less distance/time travelled.

- 3.5 The resultant tariffs would therefore apply:-

- For the first 213.5 yards (195.25 metres) or the first 57 seconds (or a combination of parts of such distance or time) - 180p
- For each additional 300 yards (274.25 metres) or 1 minute 24 seconds (or a combination of parts of such distance or time) until a fare of £6.40 is shown on the taxi meter 20p
- For each additional 220 yards (201.25 metres) or 1 minute 3 seconds (or a combination of parts of such distance or time) when a fare of £6.40 is shown on the taxi meter 20p

- For hirings began between 9.00pm on 24 December and 6.00am on 27 December and between 9.00pm on 31 December and 6.00am on 2 January double fare and extras

4 EXTRA CHARGES

4.1 Extra charges reflect unsocial hours working, additional carriage and booking fees and have remained unaltered for three years. The Head of Service is therefore recommending a modest increase to some of the "extras". In fact, although drivers are quite within their rights to charge "extras" not all of them do.

- For hirings began between 9.00pm and 6.00am also on Sundays and Bank Holidays between 6.00am and midnight (except during Christmas and New Year period) 110p
- For all items carried in the luggage compartment 30p
- For animals carried (except assistance dogs) 110p
- For each passenger carried in excess of one 30p
- For pre-booking 30p
- Despoilment charge (up to maximum) £75

5 EFFECT OF CHARGES AND COMPARISONS

5.1 The table below gives examples of typical journeys undertaken in the District and compares these with fares in three other licensing areas. Each is based on a single passenger carried at daytime rates. In addition, appended to this report is a schedule which illustrates the comparative cost of journeys of between one-half and ten miles in distance in half-mile rests. At the foot of this schedule are some typical journeys regularly undertaken by taxi travellers.

Distance (miles)	RDC (Old) *	RDC (New) *	CPBC (1/12/00)	UDC (1.7.00)	MDC
1	£2.79 (2.60)	£2.83 (2.80)	£2.60	£2.00	Not fixed
2	£3.93 (3.80)	£4.00 (4.00)	£3.80	£3.30	Not fixed

3	£5.06 (5.00)	£5.18 (5.00)	£5.00	£4.60	Not fixed
4	£6.20 (6.20)	£6.35 (6.20)	£6.20	£5.90	Not fixed
5	£7.75 (7.60)	£7.98 (7.80)	£7.80	£7.20	Not fixed

CPBC = Castle Point Borough Council

UDC = Uttlesford District Council

MDC = Maldon District Council

*These figures shown in brackets give the fare shown on the taxi meter at each given mileage point - this is what the passenger actually pays.

- 5.2 The tariff will again be designated as a “maximum fare” allowing discounts to be legitimately offered.
- 5.3 Members will note that Maldon District Council chose not to exercise their powers to fix tariffs and this is always an option open to Rochford. Such a decision would reduce office administration and negate the need for the production of Rate Cards and meter testing.

6 FINANCIAL AND RESOURCE IMPLICATIONS

- 6.1 Provision is contained in the budget for advertising any new tariff and material provision associated with implementation.

7 RECOMMENDATION

- 7.1 It is proposed that the Sub-Committee **RECOMMENDS**
- (1) That the revised tariff for Hackney Carriages and meter fitted Private Hire cars as set out in this report be approved.
 - (2) That the Head of Service proceeds to advertise the new structure to come into force on 1 October 2002.

S J Clarkson

Head of Revenue and Housing Management

Background Papers:

Tariff rates for two District Councils.

For further information please contact S J Clarkson on:-

Tel:- 01702 318005
E-Mail:- steve.clarkson@rochford.gov.uk

APPENDIX

TARIFF COMPARISON AT HALF- MILE STAGES

DISTANCE (Miles)	EXISTING TARIFF (£)	PROPOSED TARIFF (£)	PERCENTAGE INCREASE (%)
½	2.20	2.20	0
1	2.60	2.80	7.7
1 ½	3.20	3.40	6.3
2	3.80	4.00	5.3
2 ½	4.40	4.40	0
3	5.00	5.00	0
3 ½	5.60	5.60	0
4	6.20	6.20	0
4 ½	6.80	7.00	3
5	7.60	7.80	2.6
5 ½	8.40	8.60	2.4
6	9.20	9.40	2.2
6 ½	10.00	10.20	2
7	10.60	11.00	3.8
7 ½	11.40	11.80	3.5
8	12.20	12.60	3.3
8 ½	13.00	13.40	3.1
9	13.80	14.20	2.9
9 ½	14.60	15.00	2.7
10	15.40	15.80	2.6

<u>Typical Journeys</u>	<u>Existing Tariff</u> £	<u>Proposed Tariff</u> £
Rochford Town Centre to Southend Hospital	4.60	4.60
Rayleigh Town Centre to Hall Road Cemetery	6.40	6.80
Rayleigh Town Centre to Hardwick House	2.20	2.20
Rayleigh Station to Gt Wheatley Road	2.40	2.40
Rayleigh Town Centre to Hockley Day Centre	4.60	4.60

Rochford Station to Canewdon (Anchor PH)	7.20	7.60
Hockley Station to Dome Caravan Park	4.80	5.00