

HACKNEY CARRIAGE FARE INCREASE

1 SUMMARY

- 1.1 This report is to consider a request from the Rochford Hackney Carriage Drivers Association for an increase to the existing authorised fare tariff.
- 1.2 The previous fare increase agreed at a Taxi Licensing Committee Meeting on 23 January 2006, was approved for a period of 18 months and was implemented on 13 March 2006. Therefore this proposed fare increase, following an 18 month cycle, would, if agreed, not be implemented until September 2007.

2 INTRODUCTION

- 2.1 In January 2007 the Hackney Carriage Drivers Association requested a meeting with Officers to discuss a proposed increase to the authorised fare tariff. As the Association represents less than 25% of drivers it was agreed to publish the proposal in the next edition of Taxi Talk and to invite comments and alternative proposals from the trade.
- 2.2 At the end of January 2007 the Council's Taxi Talk newsletter was distributed to all 320 licensed drivers, just 12 drivers took the opportunity to comment on the proposed fare increase and the general opinion was that they were in favour. Although a very small number of drivers responded, it is assumed that the majority were in favour of the proposal and had no further comments to make.

3 PROPOSED FARE INCREASE

- 3.1 The proposals are:-
 - To increase the initial flag fall by 20p from £2.40 to £2.60 with no further increase to the tariff for distance and time;
 - To increase the extra charge for the night rate, Sundays and Bank holidays by 40p from £1.60 to £2.00; and
 - To change the night rate implementation time by 30 minutes from 10.30pm to 10pm.

4 COMPARISONS

- 4.1 The current fare tariff dated 13 March 2006, is attached at Appendix 1, the proposed fare increase is attached at Appendix 2, a fare comparison from other Essex Authorities is attached at Appendix 3, a comparison night rate implementation time and charge from other Authorities is attached at Appendix 4, and the percentage increase from the current tariff to the proposed tariff is attached at Appendix 5.

- 4.2 Previously Members requested comparisons with the Retail Price Index (RPI) and increases in Pensions and Council Tax. The latest report from the Office of National Statistics indicates that the all prices RPI increased by 4.5% in the year to April 2007; the RPIX (excludes mortgages) rose by 3.6%; and the Consumer Price Index (CPI) rose by 2.8%. For 2007/08, the Council Tax was increased by 4.9% over the previous year.
- 4.3 Notwithstanding these figures, it is considered useful to look at the taxi fares from Neighbouring Authorities as listed in Appendix 3. This comparison shows that the proposed increase would continue to maintain Rochford's fares at a competitive rate compared to other authorities. In looking at the percentage increases proposed in Appendix 5, Members will note that the starting price and very short journeys would attract an increase of greater than 5%, but that the overall average for journeys of greater than a mile compares favourably with the all prices RPI and Council Tax.

5 RESOURCE IMPLICATIONS

- 5.1 Transportation staff must test all the taximeters on the day the fare increase is implemented to ensure they have been updated and calibrated correctly. Tests must be completed on the fare increase implementation day, as a taxi is not permitted to be used for hire and reward after this date, until the meter has been tested and approved. There would be a reduced service in the Transportation Team, whilst the meter testing takes place.

6 LEGAL IMPLICATIONS

- 6.1 There is a statutory requirement to advertise the new tariff in a local newspaper giving 14 days for objections. There may be further implications if objections to the fare increase are received.

7 IMPLEMENTATION DATE

- 7.1 It was agreed that the current fare tariff should be operational until September 2007. If the proposed fare increase is agreed, it is proposed that it be implemented from that date and be in place for a further period of 18 months before any further review.

8 RECOMMENDATION

It is proposed that the Executive Board **RESOLVES**

- 8.1 That Hackney Carriage fares be increased from 3 September 2007, as detailed in the report.

Shaun Scrutton

Head of Planning and Transportation

Background Papers:-

Letter from Hackney Carriage Drivers Association dated 13 May 2007.

For further information please contact Joanne Crawford on:-

Tel:- 01702 318166

E-Mail:- joanne.crawford@rochford.gov.uk

If you would like this report in large print, braille or another language please contact 01702 546366.