

**REPORT OF THE TAXI-LICENSING SUB-COMMITTEE –
20 JULY 2004****1 HACKNEY CARRIAGE FARE TARIFF**

- 1.1 This item of business has been referred by the Taxi Licensing Sub-Committee to Council with recommendations relating to the 2004/05 Hackney Carriage Fare Tariff and the production of a paper on the deregulation of an authorised fare tariff. A copy of the officer's report to the Sub-Committee is attached.
- 1.2 The Sub-Committee met on 20 July when the meeting was adjourned until 27 July to provide additional time for Members to give detailed consideration to the officer report. It was seen as important for the Council, the taxi trade and residents for there to have been a detailed assessment of report contents. Adjournment had also enabled Sub-Committee Members to consult other Members of the Council on the tariff review.
- 1.3 The Sub-Committee has considered a motion relating to the introduction of a 4% increase in fares over the whole of the current fare structure and the production of a detailed paper on the deregulation of an authorised fare tariff. The motion was introduced on the basis that it would be fair to all concerned. The Sub-Committee has observed the favourable nature of 4% when compared with the cost of living indicators set out in the officer report
- 1.4 The Sub-Committee has heard from representatives of the trade who had concerns that last year's increase did not equate to 4% overall and that there had been an indication that any forthcoming increase would take account of that. The trade also felt that account should be taken of rates applicable in Southend, particularly given that the majority of cross-border working involved that Borough. Reference was made to increases in insurance and fuel costs faced by drivers. Reference was also made to the value of Members being able to make decisions based on information which will enable an understanding of the trade. The trade indicated that they considered that the removal of the 3 year probationary period for hackney carriage plates had been detrimental.
- 1.5 The Sub-Committee has also heard from a Meter Agent who provided a brief explanation of the operation of a meter and financial changes that could be associated with reprogramming. It was noted that a Member teach-in had been previously provided on this subject. The Agent indicated that, until approximately 10 years ago, the District had followed a tradition of following fares set by Southend.
- 1.6 During consideration of this matter, the Sub-Committee noted that:-
 - Taking the period of 4 years from 2000, there had been a 3.57% increase in the fare associated with journeys up to one mile. High

percentage increases could be associated with the charges for extras introduced last year.

- It would be particularly complicated to identify a precise percentage increase that could be associated with the overall package introduced last year. Some aspects would have seen an increase, others a decrease.
- The change whereby night rate charging commenced at 10.30 pm and the surcharge of 20p was removed had been made in 2002, not last year.
- The information set out in the report before the Sub-Committee was factually correct for use by Members in reaching a decision..

1.7 The Sub-Committee has recognised that, depending on viewpoint, it is possible to introduce a number of different arguments on aspects of both the fare tariff and other matters, such as changes in the probationary period for hackney carriage plates and the weighting that could be given to charges set by Southend Borough. Notwithstanding that the formula used for distance and time travelled can be viewed as separate from the formula used for chargeable extras, it could be seen as appropriate for Members to be mindful of overall percentage impact. To take one aspect in isolation could lead to hypothetical conclusions.

1.8 It is proposed that Council **RESOLVES**

- (1) That for 2004/05 an increase of 4% (or the nearest possible percentage point) be applied over all aspects of the existing fare structure.
- (2) That there be no alterations to any of the specific features of the current fare structure (i.e. the extra charges to continue to be identified separately and the night rate to continue to start at 10.30pm).
- (3) That officers provide a detailed paper on the deregulation of an authorised fare tariff by the end of October 2004. The paper to include information on:-
 - The advantages and disadvantages of deregulation for drivers and circuit owners.
 - The implications for Rochford District Council staff (including financial).
 - The impact on the present Taxi Voucher Scheme.
 - Details on the approach of other Essex authorities to deregulation and the views of other Essex authorities on the

advantages/disadvantages of deregulation, together with any other comments that they may wish to make.

- The potential impact deregulation could have on District residents that use the taxi service (shoppers, commuters, week-end users and so on).

Sarah Fowler
Head of Administrative and Member Services

Background Papers:

None

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APPENDIX

HACKNEY CARRIAGE FARE TARIFF**1 SUMMARY**

- 1.1 This report is on the proposed changes to the existing authorised fare tariff submitted by the Rochford Hackney Carriage Drivers Association.

2 INTRODUCTION

- 2.1 Each year the trade submit a request for a change to the authorised fare tariff. The Trade would like Members to consider the proposed changes which reflect increases in motoring costs, in particular the increase in fuel and the high costs of hire and reward insurance. The Trade draw attention to the fact that a majority of their evening work is travelling into the Southend District and would therefore like to see comparative fares with their neighbouring Authority.

3 COMPARISONS

The current fare tariff dated 3 November 2003, is attached at **Appendix No 1**, the proposed fare increase is attached at **Appendix No 2**, comparisons of fares from other Local Authorities is attached at **Appendix No 3**, **Appendix No 4**, provides comparative data on journeys between 1 and 4 miles and finally **Appendix No 5**, shows comparison night rate implementation times from other Local Authorities.

4 THE PROPOSED FARE INCREASE

- 4.1 The proposed fare change is to increase the starting rate from £2.10 to £2.30.
- 4.2 Then from 20p for each 286 yards or 60 seconds until a fare of £6.40 is shown, changed to 20p for every 260 yards or 60 seconds until a fare of £7.30 is shown.
- 4.3 Then from 20p for each 214.52 yards or 45 seconds after a fare of £6.40 is shown, to 20p for each 190 yards or 45 seconds after a fare of £7.30 is shown.
- 4.4 There is a request to include the £1.60 extra for Sundays, Bank Holidays and night rate to a separate tariff, (tariff No 2) so that the £1.60 is no longer shown as an extra. Tariff 2 would therefore be the same as tariff 1, apart from the start rate of £3.90, which is £2.30 + £1.60. Tariff 3 would remain the double fare, charged only at Christmas and New Year.
- 4.5 The final proposed change to the tariff is to reduce the implementation time of the night rate from 10.30pm to 9pm.

5 RETAIL PRICE INDEX

- 5.1 At a previous Committee Meeting, Members agreed that to determine future fare tariff reviews, the retail price index should be considered together with any other additional relevant information and these are as follows: -

	Index @ 1 April 03	Index @ 1 April 04	
General RPI	181.2	184.6	(1.9%)
RPIX	180.0	182.5	(1.4%)
CPI	109.7	110.6	(0.8%)

Additional Information

Pensions	2004 increased by 2.8%
Council Tax	2004 increased by 6.2%
Taxi Insurance	2004 no increase

- 5.2 The Hackney Carriage Drivers Association are proposing an increase, which averages around 8%. This is in excess of the RPI and the additional information shown above.
- 5.3 The reasons for the larger increase this year is to compensate for last years tariff change, which was a decrease over the first 2 miles and an average of 1% increase from 3 to 5 miles. There was, however, a marked increase to the extras that are charged on Sundays, bank holidays and between 10.30pm and 6am and for luggage and extra passengers.

6 RESOURCE IMPLICATIONS

Staff are required to test all the taximeters once the fare increase is implemented, this can be completed in one day with 4 members of staff. There would therefore be a limited service at the Transportation Department whilst the meter testing takes place.

7 LEGAL IMPLICATIONS

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.

8 IMPLEMENTATION DATE

An appropriate implementation date will be arranged when the fare tariff has been approved by Members and any objections received have been considered. This is likely to be around the beginning of September 2004.

9 RECOMMENDATION

It is proposed that the Sub Committee consider the report and makes recommendations to the next Environmental Services Committee.

S J Clarkson

Head of Revenue and Housing Management

Background Papers:

A Letter requesting a fare increase from the Association of Circuit Company Owners in the Rochford District (A.C.C.O.R.D) supported by the chairman of the Hackney Carriage Drivers Association.

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Taxi Licensing Review Sub Committee
20 July 2004

Appendix No 1

ROCHFORD DISTRICT COUNCIL**LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976****MAXIMUM AUTHORISED FARES AND CHARGES****Commencing 3 November 2003 until further notice***Also applicable to Private Hire Vehicles fitted with Taximeters***DISTANCE OR TIME**

For the first 882 yards (806.50 metres) or the first 3 minutes 4 seconds (or a combination of parts of such distance or time) -	210p
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For each additional 286 yards (261.50 metres) or 60 Seconds (or a combination of parts of such distance or time) until a fare of £6.70 is shown on the taximeter.	20p
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For each additional 214.52 yards (196.15 metres) or 45 seconds (or a combination of parts of such distance or time) when a fare of £6.70 is shown on the taximeter.	20p
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For hiring's begun 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 Fares (No Extras)
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EXTRA CHARGES

For hiring's begun between 10.30pm and 6.00am also on Sundays and Bank Holidays between 6.00am and midnight (except during Christmas and New Year period).	160p
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For all items carried in the luggage compartment. (maximum charge)	40p
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For animals carried (except assistance dogs).	40p
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For each passenger carried in excess of one.	40p
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Despoilment charge.	(up to maximum) £75
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Appendix No 2

ROCHFORD DISTRICT COUNCIL
LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976
MAXIMUM AUTHORISED FARES AND CHARGES

Date to be arranged

Also applicable to Private Hire Vehicles fitted with Taximeters

DISTANCE OR TIME**Tariff 1**

For the first 880 yards (804.50 metres) or the first 3 minutes
(or a combination of parts of such distance or time) 230p

For each additional 260 yards (237.69 metres) or 60
Seconds (or a combination of parts of such distance or time)
until a fare of £7.30 is shown on the taximeter. 20p

For each additional 190 yards (173.7 metres) or 45 seconds
(or a combination of parts of such distance or time)
after a fare of £7.30 is shown on the taximeter. 20p

Tariff 2

For hiring commencing on Sundays and Bank Holidays between
6.00am and Midnight (except during the period stipulated in tariff 3)
and between 9pm and 6am.

For the first 880 yards (804.50 metres) or the first 3 minutes
(or a combination of parts of such distance or time) 3.90p

For each additional 260 yards (237.69 metres) or 60
Seconds (or a combination of parts of such distance or time)
until a fare of £8.60 is shown on the taximeter. 20p

For each additional 190 yards (173.7 metres) or 45 seconds
(or a combination of parts of such distance or time)
after a fare of £8.90 is shown on the taximeter. 20p

Tariff 3

For hiring commencing between 9pm on 24 December and 6am on 27 December and between 9pm
on 31 December and 6am on 1 January.

For the first 880 yards (804.50 metres) or the first 3 minutes
(or a combination of parts of such distance or time) 4.60p

For each additional 260 yards (237.69 metres) or 60
Seconds (or a combination of parts of such distance or time)
until a fare of £14.60 is shown on the taximeter. 40p

For each additional 190 yards (173.7 metres) or 45 seconds
(or a combination of parts of such distance or time)
after a fare of £14.60 is shown on the taximeter. 40p

EXTRA CHARGES

For all items carried in the luggage compartment. (maximum charge)	40p
For animals carried (except assistance dogs).	40p
For each passenger carried in excess of one.	40p
Despoilment charge. (maximum charge)	£75