

## GENERAL PURPOSES AND LICENSING COMMITTEE – 9 MARCH 2012

## APPLICATION TO INCREASE HACKNEY CARRIAGE FARES

## 1. INTRODUCTION

- 1.1 To consider a request from Hackney Carriage proprietors for an increase in the general tariff of fares within the district.
- 1.2 The Council is empowered to set the maximum fares for the hackney carriage tariff by the Town Police Clauses Act 1847 and the Local Government (Miscellaneous Provisions) Act 1976. Whilst these fares only apply to the hackney carriage tariff many private hire operators also voluntarily adopt this charging scale.
- 1.3 To safeguard the general public from overcharging, the Council has for many years considered it prudent to follow this course of action and set a maximum tariff of fares. The policy of this Committee is to review the fare tariff every two years and increase it based on the index figures produced in the latest Monthly Digest of Statistics, unless exceptional reasons exist.
- 1.4 The last increase to the tariff was approved by this Committee on the 10 September 2010 and implemented on 16 November 2010.
- # 1.5 Appendix 1 details four the options available to the Committee, shown in the format of the hackney carriage tariff fare card. These are:
- Option 1 shows no increase to the tariff;
  - Option 2 shows an increase to the initial charge only (flag);
  - Option 3 shows an overall tariff increase of 5% (approx.);
  - Option 4 shows an overall tariff increase of 10% (approx.).
- # 1.6 Appendix 2 shows the detailed calculations used to provide these figures.
- 1.7 Before any increase approved by this Committee is implemented it must be advertised in a newspaper circulating in the district. Should there be any objections, either from members of the public or taxi traders, those objections will have to be considered at the next meeting of the General Purposes and Licensing Committee.

## 2. RETAIL PRICE INDEX

- 2.1 The Retail Prices Index (RPI) is taken from the Government's Monthly Digest of Statistics for motoring expenditure and is shown in the table below. This uses figures from the last period measured for the purposes of tariff calculation to the latest figures available. The table indicates that during the stated period the overall increase in motoring costs was **11.28%**.

2.2 Table 1

RPI	June 2010	July 2011	Changes	%
Vehicle Expenses	222.5	238.7	+16.2	7.28%

Vehicle Purchase	104.3	98.4	-5.9	0
Vehicle Maintenance	356.0	375.4	+19.4	5.45%
Petrol & Oil	344.6	393.1	+48.5	14.07%
Tax & Insurance	434.9	521.7	+86.8	0.19%
<b>Overall</b>	<b>1462.3</b>	<b>1627.3</b>	<b>+165</b>	<b>11.28%</b>

### 3. NEW FOREST TAXI ASSOCIATION

- 3.1 On Monday 5 December 2011 members of the New Forest Taxi Association proposed that representation should be made to New Forest District Council for an increase in the taxi fare tariff. The general consensus of the members present at this meeting was that a 10% increase across the tariff should be sought.
- 3.2 A consultation was undertaken with all 42 Hackney Carriage Proprietors in the district. The results of this consultation are detailed in the table below.

**Table 2**

Consultation papers returned	29 of 42	69%
(of these) <b>AGAINST</b> any increase	4	14%
<b>FOR</b> the increase	25	86%
(of these) <b>FLAG</b> increase only	10	40%
<b>Across the tariff</b> (between 5-10%)	15	60%

### 4. MARKET COMPARISON

- 4.1 Each month the private hire and taxi monthly trade journal publishes a national league table of hackney carriage fares which can be used for comparative purposes. Table 3 shows the most recent figures published for January 2012 which details the current fares for this Council and neighbouring authorities.
- 4.2 Whilst it is acknowledged that situations and requirements differ between districts, comparisons can be a useful indicator of trends.

4.3 **Table 3**

COUNCIL	Flag-fall	1 mile	2 miles	5 miles	10 mile	Running mile	Effective date	League position
Eastleigh	£2.80	£4.30	£6.10	£11.50	£20.50	£1.80	Aug-11	40
Christchurch	£2.70	£3.90	£5.90	£11.70	£21.70	£1.97	Apr-11	71
<b>New Forest</b>	<b>£2.20</b>	<b>£3.60</b>	<b>£5.80</b>	<b>£12.80</b>	<b>£24.60</b>	<b>£2.35</b>	<b>Nov-10</b>	<b>91</b>
Southampton	£2.40	£4.20	£5.80	£10.20	£17.80	£1.66	Dec-10	97
Salisbury	£2.50	£3.90	£5.70	£11.10	£20.10	£1.80	Aug-08	112
East Dorset	£2.40	£3.60	£5.60	£11.20	£20.80	£1.90	Mar-10	120
I.O.W	£3.00	£3.80	£5.40	£10.20	£18.20	£1.60	Mar-10	173
Test Valley	£3.40	£3.40	£5.00	£9.80	£17.80	£1.60	Mar-11	262
Regional Ave.	£2.81	£3.92	£5.82	£11.54	£21.51	£1.92		
National Ave.	£2.62	£3.59	£5.36	£10.72	£19.66	£1.77		

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The costs of conducting tariff change are taken into consideration when setting the cost of licence fees.

## **6. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS**

- 6.1 There are no environmental, crime & disorder and equality & diversity implications.

## **7. RECOMMENDATIONS**

- 7.1 That the Committee considers the request from the New Forest Taxi Association for an increase in the general taxi fare tariff and decide on one of the following options:
- Option 1 – reject the proposal, no change to current tariff;
  - Option 2 – an increase to the initial charge (flag) only;
  - Option 3 – an overall increase to the tariff of approx 5%;
  - Option 4 – an overall increase to the tariff of approx. 10%;
  - Option 5 – a % increase as decided by the Committee.

### **Further Information:**

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### **Background Papers**

Monthly Digest of Statistics – August 2011  
Private Hire & Taxi Monthly – January 2012

# Taxi Fares

Maximum charges from 16.11.2010 (inclusive of VAT where appropriate)



Period applicable	7.00am to 11.00pm	11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3	Between 6.00pm on 24 <sup>th</sup> December and 7.00am on 27 December and between 6.00pm on 31 <sup>st</sup> December and 7.00am on 2 January
Tariff Rate	1	2	3
First 850 yards (or 777.24 metres) or part thereof	<b>£2.20</b>	<b>£2.70</b>	<b>£3.60</b>
Each subsequent 150 yards (or 137.16 metres) or part thereof	<b>20p</b>	<b>30p</b>	<b>40p</b>
Waiting time	<b>20p</b> for each 50 seconds	<b>30p</b> for each 75 seconds	<b>40p</b> for each 100 seconds
Equivalent cost of the first mile (or 1609 metres) with no waiting time or extras added	<b>£3.41</b>	<b>£4.52</b>	<b>£6.03</b>

## Extra charges

- (a) For each article of luggage or wheeled article **20p**
- (b) For each animal not otherwise carried in a suitable and secure container – guide, hearing and assistance dogs exempted **40p**
- (c) For each person over two persons conveyed **20p**
- (d) Soiling charge – where the taxi or seating is soiled or defecated by any passenger or animal, which necessitates cleaning before the vehicle can be used again for public hire **£20**

# OPTION 2 = FLAG INCREASE ONLY

# Taxi Fares

Maximum charges from 16.11.2010 (inclusive of VAT where appropriate)



Period applicable	7.00am to 11.00pm	11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3	Between 6.00pm on 24 <sup>th</sup> December and 7.00am on 27 December and between 6.00pm on 31 <sup>st</sup> December and 7.00am on 2 January
Tariff Rate	1	2	3
First 850 yards (or 777.24 metres) or part thereof	<b>£2.50</b>	<b>£3.00</b>	<b>£4.00</b>
Each subsequent 150 yards (or 137.16 metres) or part thereof	<b>20p</b>	<b>30p</b>	<b>40p</b>
Waiting time	<b>20p</b> for each 50 seconds	<b>30p</b> for each 75 seconds	<b>40p</b> for each 100 seconds
Equivalent cost of the first mile (or 1609 metres) with no waiting time or extras added	<b>£3.71</b>	<b>£4.82</b>	<b>£6.43</b>

## Extra charges

- (a) For each article of luggage or wheeled article **20p**
- (b) For each animal not otherwise carried in a suitable and secure container – guide, hearing and assistance dogs exempted **40p**
- (c) For each person over two persons conveyed **20p**
- (d) Soiling charge – where the taxi or seating is soiled or defecated by any passenger or animal, which necessitates cleaning before the vehicle can be used again for public hire **£20**

OPTION 3 = 5% INCREASE (approx)

# Taxi Fares

Maximum charges from 16.11.2010 (inclusive of VAT where appropriate)



Period applicable	7.00am to 11.00pm	11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3	Between 6.00pm on 24 <sup>th</sup> December and 7.00am on 27 December and between 6.00pm on 31 <sup>st</sup> December and 7.00am on 2 January
Tariff Rate	1	2	3
First 850 yards (or 777.24 metres) or part thereof)	<b>£2.30</b>	<b>£2.85</b>	<b>£3.80</b>
Each subsequent 143 yards (or 137.16 metres) or part thereof	<b>20p</b>	<b>30p</b>	<b>40p</b>
Waiting time	<b>20p</b> for each 50 seconds	<b>30p</b> for each 75 seconds	<b>40p</b> for each 100 seconds
Equivalent cost of the first mile (or 1609 metres) with no waiting time or extras added	<b>£3.57</b>	<b>£4.76</b>	<b>£6.35</b>

## Extra charges

- (a) For each article of luggage or wheeled article **20p**
- (b) For each animal not otherwise carried in a suitable and secure container – guide, hearing and assistance dogs exempted **40p**
- (c) For each person over two persons conveyed **20p**
- (d) Soiling charge – where the taxi or seating is soiled or defecated by any passenger or animal, which necessitates cleaning before the vehicle can be used again for public hire **£20**

OPTION 4 = 10% INCREASE (approx)

# Taxi Fares

Maximum charges from 16.11.2010 (inclusive of VAT where appropriate)



Period applicable	7.00am to 11.00pm	11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3	Between 6.00pm on 24 <sup>th</sup> December and 7.00am on 27 December and between 6.00pm on 31 <sup>st</sup> December and 7.00am on 2 January
<b>Tariff Rate</b>	<b>1</b>	<b>2</b>	<b>3</b>
First 850 yards (or 777.24 metres) or part thereof	<b>£2.40</b>	<b>£3.00</b>	<b>£4.00</b>
Each subsequent 136 yards (or 137.16 metres) or part thereof	<b>20p</b>	<b>30p</b>	<b>40p</b>
Waiting time	<b>20p</b> for each 50 seconds	<b>30p</b> for each 75 seconds	<b>40p</b> for each 100 seconds
Equivalent cost of the first mile (or 1609 metres) with no waiting time or extras added	<b>£3.73</b>	<b>£5.00</b>	<b>£6.67</b>

## Extra charges

- (a) For each article of luggage or wheeled article **20p**
- (b) For each animal not otherwise carried in a suitable and secure container – guide, hearing and assistance dogs exempted **40p**
- (c) For each person over two persons conveyed **20p**
- (d) Soiling charge – where the taxi or seating is soiled or defecated by any passenger or animal, which necessitates cleaning before the vehicle can be used again for public hire **£20**

Taxi Tariffs

FLAG INCREASE ONLY

	Current Tariff				Only increase flag			
	Flag Yards	Flag Cost	Next yards	Next Cost	Flag Yards	Flag Cost	Next yards	Next Cost
Tariff 1:	850	£ 2.20	150	£ 0.20	850	£ 2.50	150	£ 0.20
Tariff 2:	850	£ 2.70	150	£ 0.30	850	£ 3.00	150	£ 0.30
Tariff 3:	850	£ 3.60	150	£ 0.40	850	£ 4.00	150	£ 0.40

# APPENDIX

# 2

	Tariff 1			Tariff 2			Tariff 3		
	Current	Proposed		Current	Proposed		Current	Proposed	
Base Yards Per Mile	1760	1760		1760	1760		1760	1760	
First Click (yards)	850	850		850	850		850	850	
Flagfall (£)	£ 2.20	£ 2.50	13.6%	£ 2.70	£ 3.00	11.1%	£ 3.60	£ 4.00	11.1%
Subsequent Clicks (yards)	150	150	0.0%	150	150	0.0%	150	150	0.0%
Cost Per Click (£)	£ 0.20	£ 0.20		£ 0.30	£ 0.30		£ 0.40	£ 0.40	

Using the formula the equivalent cost of journeys is calculated as follows:

Equivalent Cost of a:	7.00am to 11.00pm			11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3			Between 6.00pm on 24 December and 7.00am on 27 December and between 6.00 pm on 31 December 7.00am on 2 January		
	Tariff 1	%		Tariff 2	%		Tariff 3	%	
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
1 Mile Journey	£3.41	£3.71	8.8%	£4.52	£4.82	6.6%	£6.03	£6.43	6.6%
2 Mile Journey	£5.76	£6.06	5.2%	£8.04	£8.34	3.7%	£10.72	£11.12	3.7%
3 Mile Journey	£8.11	£8.41	3.7%	£11.56	£11.86	2.6%	£15.41	£15.81	2.6%
5 Mile Journey	£12.80	£13.10	2.3%	£18.60	£18.90	1.6%	£24.80	£25.20	1.6%
10 Mile Journey	£24.53	£24.83	1.2%	£36.20	£36.50	0.8%	£48.27	£48.67	0.8%
25 Mile Journey	£59.73	£60.03	0.5%	£89.00	£89.30	0.3%	£118.67	£119.07	0.3%
Waiting time	20p / 50sec	20p / 50sec		30p / 75sec	30p / 75sec		40p / 100sec	40p / 100sec	
Waiting time £ per hour (A)	£14.40	£14.40	0.0%	£22.50	£22.50	0.0%	£24.00	£24.00	0.0%

current 1 mile make-up

Start Yds	Yds left	£
1760	850	2.20
850	700	2.40
700	550	2.60
550	400	2.80
400	250	3.00
250	100	3.20
100	-50	3.40

10% 1 mile make-up

Start Yds	Yds left	£
1760	910	2.50
910	760	2.70
760	610	2.90
610	460	3.10
460	310	3.30
310	160	3.50
160	10	3.70
10	-140	3.90



Taxi Tariffs  
5% INCREASE

Current Tariff					Average of 5% increase				5%	
Flag Yards	Flag Cost	Next yards	Next Cost		Flag Yards	Flag Cost	Next yards	Next Cost		
850	£ 2.20	150	£ 0.20		850	£ 2.30	143	£ 0.20		
Tariff 1:					850	£ 2.70	150	£ 0.30		
Tariff 2:					850	£ 3.80	143	£ 0.40		
Tariff 3:										

# APPENDIX 2

	Tariff 1				Tariff 2				Tariff 3		
	Current	Proposed	%		Current	Proposed	%		Current	Proposed	%
Base Yards Per Mile	1760	1760		1760	1760		1760	1760			
First Click (yards)	850	850		850	850		850	850			
Flagfall (£)	£ 2.20	£ 2.30	4.5%	£ 2.70	£ 2.85	5.4%	£ 3.60	£ 3.80	5.6%		
Subsequent Clicks (yards)	150	143	5.0%	150	143	5.0%	150	143	5.0%		
Cost Per Click (£)	£ 0.20	£ 0.20		£ 0.30	£ 0.30		£ 0.40	£ 0.40			

Using the formula the equivalent cost of journeys is calculated as follows:

Equivalent Cost of a:	7.00am to 11.00pm			11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3			Between 6.00pm on 24 December and 7.00am on 27 December and between 6.00 pm on 31 December 7.00am on 2 January		
	Current	Proposed	% Increase	Current	Proposed	% Increase	Current	Proposed	% Increase
1 Mile Journey	£3.41	£3.57	4.7%	£4.52	£4.76	5.2%	£6.03	£6.35	5.3%
2 Mile Journey	£5.76	£6.04	4.8%	£8.04	£8.45	5.1%	£10.72	£11.28	5.2%
3 Mile Journey	£8.11	£8.50	4.9%	£11.56	£12.15	5.1%	£15.41	£16.20	5.1%
5 Mile Journey	£12.80	£13.43	4.9%	£18.60	£19.54	5.1%	£24.80	£26.06	5.1%
10 Mile Journey	£24.53	£25.75	5.0%	£36.20	£38.02	5.0%	£48.27	£50.70	5.0%
25 Mile Journey	£59.73	£62.71	5.0%	£89.00	£93.46	5.0%	£118.67	£124.62	5.0%
Waiting time	20p / 50sec	20p / 50sec		30p / 75sec	30p / 75sec		40p / 100sec	40p / 100sec	
Waiting time £ per hour (A)	£14.40	£14.40	0.0%	£22.50	£22.50	0.0%	£24.00	£24.00	0.0%

current 1 mile make-up

Start Yds	Yds left	£
1760	850	2.20
850	700	2.40
700	550	2.60
550	400	2.80
400	250	3.00
250	100	3.20
100	-50	3.40

5% 1 mile make-up

Start Yds	Yds left	£
1760	910	2.30
910	767	2.50
767	624	2.70
624	481	2.90
481	339	3.10
339	196	3.30
196	53	3.50
53	-90	3.70

Taxi Tariffs  
10% INCREASE

	Current Tariff				Average of 10% increase			
	Flag Yards	Flag Cost	Next yards	Next Cost	Flag Yards	Flag Cost	Next yards	Next Cost
Tariff 1:	850	£ 2.20	150	£ 0.20	850	£ 2.40	136	£ 0.20
Tariff 2:	850	£ 2.70	150	£ 0.30	850	£ 3.00	136	£ 0.30
Tariff 3:	850	£ 3.60	150	£ 0.40	850	£ 4.00	136	£ 0.40

# APPENDIX

# 2

	Tariff 1			Tariff 2			Tariff 3		
	Current	Proposed	%	Current	Proposed	%	Current	Proposed	%
Base Yards Per Mile	1760	1760		1760	1760		1760	1760	
First Click (yards)	850	850		850	850		850	850	
Flagfall (£)	£ 2.20	£ 2.40	9.1%	£ 2.70	£ 3.00	11.1%	£ 3.60	£ 4.00	11.1%
Subsequent Clicks (yards)	150	136	10.0%	150	136	10.0%	150	136	10.0%
Cost Per Click (£)	£ 0.20	£ 0.20		£ 0.30	£ 0.30		£ 0.40	£ 0.40	

Using the formula the equivalent cost of journeys is calculated as follows:

Equivalent Cost of a:	7.00am to 11.00pm			11.00pm to 7.00am and on all Public Holidays with the exception of those covered by Tariff 3			Between 6.00pm on 24 December and 7.00am on 27 December and between 6.00 pm on 31 December 7.00am on 2 January		
	Current	Proposed	% Increase	Current	Proposed	% Increase	Current	Proposed	% Increase
1 Mile Journey	£3.41	£3.73	9.4%	£4.52	£5.00	10.7%	£6.03	£6.67	10.7%
2 Mile Journey	£5.76	£6.32	9.7%	£8.04	£8.87	10.4%	£10.72	£11.83	10.4%
3 Mile Journey	£8.11	£8.90	9.8%	£11.56	£12.75	10.3%	£15.41	£16.99	10.3%
5 Mile Journey	£12.60	£14.06	9.8%	£18.60	£20.49	10.2%	£24.80	£27.32	10.2%
10 Mile Journey	£24.53	£26.97	9.9%	£36.20	£39.85	10.1%	£48.27	£53.13	10.1%
25 Mile Journey	£59.73	£65.69	10.0%	£89.00	£97.93	10.0%	£118.67	£130.57	10.0%
Waiting time	20p / 50sec	20p / 50sec		30p / 75sec	30p / 75sec		40p / 100sec	40p / 100sec	
Waiting time £ per hour (A)	£14.40	£14.40	0.0%	£22.50	£22.50	0.0%	£24.00	£24.00	0.0%

current 1 mile make-up			10% 1 mile make-up		
Start Yds	Yds left	£	Start Yds	Yds left	£
1760	850	2.20	1760	910	2.40
850	700	2.40	910	774	2.60
700	550	2.60	774	637	2.80
550	400	2.80	637	501	3.00
400	250	3.00	501	365	3.20
250	100	3.20	365	228	3.40
100	-50	3.40	228	92	3.60
			92	-45	3.80