LICENSING AND REGULATION COMMITTEE

5 FEBRUARY 2008

REVIEW OF FARES FOR HACKNEY CARRIAGES

REPORT OF HEAD OF LEGAL SERVICES

Contact Officer: Chris Bicknell Tel No: 01962 848179

RECENT REFERENCES:

LR 203 - Review of Fares for Hackney Carriages, 12 December 2006

LR 134 – Review of fares for Hackney Carriages, 22 September 2005

EXECUTIVE SUMMARY:

The review of current fares in respect of Hackney Carriages for this Council District is considered annually. The existing fares were last increased to commence on 1 January 2007 following a review on 12 December 2006.

Maximum fares are set by the Council and take regard of the underlying inflation rates, changes to costs incurred by Hackney Carriage owners and the consequences to their paying passengers.

Appendix 2 sets out 7 possible proposals should it be considered appropriate that a fare increase should be implemented.

Appendix 3 shows a comparison of fares with a selection of other Councils in Hampshire.

RECOMMENDATIONS:

- 1 That consideration be given as to whether the maximum fares for Hackney Carriages should be or should not be varied at this time.
- That if it is considered that the fares should be varied, then subject to the statutory requirements for advertising and dealing with objections, fares which may be charged by Hackney Carriages in the area of Winchester City Council be varied, with effect from 1st March 2008, as follows (which produces a fare of £3.80 for the first mile and £1.80 for each subsequent mile, Proposal 5 as detailed in Appendix 3 to this report):-

Distance

For the first 660 yards (603 metres) or part thereof £2.40.

For each succeeding 180 yards (183 metres) or part thereof, 20p.

(i) Waiting Time

For each period of 1 minute - 25p.

(ii) Extra Charges

For each hiring which commences between 11pm and 6am or at any time on bank holidays and public holidays, or after 6.30pm on Christmas Eve and New Years Eve an additional 50% is added to the above rate of fare.

For each hiring on Christmas Day or, at any time until 6.00am on Boxing Day, an additional 100% is added to the above rate of fare.

Fouling charge, £40.00.

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REPORT OF HEAD OF LEGAL SERVICES

DETAIL:

1 Introduction

- 1.1 The maximum fares for Hackney Carriages in this District are set by this Council and are normally reviewed annually, taking regard of the underlying inflation rates, changes to costs incurred by Hackney Carriage owners and the consequences to fare paying passengers. Fares were last reviewed by the Licensing and Regulation Committee on 12 December 2006 (report LR203 refers).
- 1.2 After consideration, the Committee decided that it was appropriate to increase the fares and the current fares came into force on 5 January 2007.

2 Current Fares

2.1 The current fares, which commenced on 5th January 2007 are:-

Distance

For the first 660 yards (603 metres) or part thereof (minimum charge) £2.40.

For each succeeding 200 yards (183metres) or part thereof 20p.

Waiting Time

For each period of 1 minute 25p.

Extra Charges

For each charge which commences between 11pm and 6am or at any time on Bank and Public Holidays or after 6.30pm on Christmas Eve or New Years Eve, 50% of the above rate of fare.

For each hiring on Christmas Day or at any time until 6.00am on Boxing Day, 100% of the above rate of fare.

Fouling Charge £40.00.

2.2 This rate of fare produces a daytime rate of £3.60 for the first mile and £1.80 for each subsequent complete mile. 50% is added to the fares at night (11pm to 6am) which produces a current rate of £5.40 for the first mile and £2.70 for each subsequent mile.

3 Increases in Costs

3.1 The underlying inflation rate (RPI percentage change) for the year preceding August 2007 was 3.3%.

- 3.2 The licensing fees for Hackney Carriages, set by this Council, were increased by approximately 3% with effect from 1 April 2007. A report elsewhere on this agenda proposes an increase in fees by 8% for the year 2008/09, in view of proposals to carry out increased enforcement.
- 3.3 Consultation with Westminster Insurance and Norwich Union (two of the main specialist provider of taxi insurance for many Winchester drivers), reveal that there has still been no significant increase in the premiums during the past year. In fact there has been ten to twenty per cent reduction in the last year for some drivers, and competition is increasing amongst all insurance companies as far as the taxi trade is concerned. Officers are not aware of any large increases by other insurance companies.
- 3.4 The cost of diesel has increased from 90 pence per litre in January 2007 to 110 pence in January 2007. Unleaded fuel has increased from 86.9 pence per litre to 104 pence. These are increases of 22 and 19 per cent respectively.
- 3.5 It is impossible to give reliable figures on the costs which drivers incur, given the wide variety of work and hours which drivers do, but the following information may be helpful:
 - a) Fuel 50,000 miles per year would cost approximately £4,950 (based on 50 mpg for a diesel vehicle), compared to £4,050 in January 2007.
 - b) Insurance varies between £2,000 and £5,000 (some evidence of reductions this year due competition amongst insurance companies)
 - c) Maintenance servicing every six weeks £1,030 (inflation at 3%)
 - d) Finance £250 to £450 per month to finance a new vehicle depending on size and type

4 Consultations with the Taxi Trade

- 4.1 The Winchester Owners and Drivers Taxi Association, who represent hackney and private hire drivers, have been consulted. They are agreed that an increase is necessary and have requested a 20 pence increase.
- 4.2 Representatives of Wessex Cars and Wintax, which are the two main operators of both private hire vehicles and hackney carriages in Winchester, have also been consulted. Both operators agree with the views of the Taxi Association and have submitted ideas which are included in the proposals (Appendix 2).
- 4.3 The drivers have been consulted individually and collectively concerning the review and all have requested a 20 pence rise per mile to compensate the ever increasing price of fuel and the annual rise in the cost of living.

5 Comparisons and Possible Options

- Appendix 3 shows a comparison of the existing taxi fares for Winchester compared with other Councils. Appendix 4 is a chart taken from 'The Private Hire Monthly' showing most of the Hampshire Local Authorities' position in the 'league table'.
- 5.2 Appendix 2 sets out 7 possible options for increases. It should be noted that the figures show the actual meter reading at the distances shown for each proposal. The "start fare" is shown on the meter before the taxi moves and changes before the start of the next distance. e.g. for the existing fares, £2.40 is shown on the meter as soon

as the vehicle is hired, an additional 20p is shown on the meter after 660 yards and another 20p is added after the next and each subsequent 200 yards. The 7 proposals set out the increase, compared to the existing maximum fares for this Council District, at distances of 1 mile, 3 miles, 5 miles and 10 miles, together with the percentage increase in cost. From consultation with the taxi trade, the average journey for taxis hired from the hackney carriage stands in Winchester is considered to be approximately 3 miles. The proposals compare possible increases which would be shown on the taximeter at the distances shown and the percentage increase is calculated to one decimal point.

- 5.3 In the event of any variation to the existing fares, the statutory provisions require a public notice to be advertised in the local press, and representations invited. Representations can be made by any person, including members of the public and taxi drivers. Any representations made within 14 days must be considered by the Council before the variation is implemented, and it would normally therefore be necessary to bring a further report to Committee to consider these representations.
- 6 Issues for Consideration
- 6.1 Is it appropriate to increase the maximum fare for hackney carriages? Members may wish to consider the increase to costs to the taxi trade and the consequent increase cost to the public. If there is no increase it may lead to a large increase being necessary in the future rather than a small increase. All proposals give modest increases.
- 6.2 If it is considered there should be no increase on this occasion when should the matter next be reviewed? It may be considered if fares are not be increased on this occasion that they should be reviewed in a year's time.
- 6.3 If it is considered that it is appropriate to increase the fares how is this to be achieved? Appendix 2 sets out 7 proposals as to how an increase could be achieved. All proposals are modest, despite the escalating cost of fuel, as it is felt in the trade that too great a rise at the moment would drive trade away from the taxis towards other form of public transport.
- 6.4 Column 1 of Appendix 4 shows the position of the listed authorities in a league table of fares according to the national taxi trade paper "Private Hire Monthly". Winchester is shown in this table as 36 out of 378 a modest rise would not alter that position radically. The national average is a pull off (Tariff1) of £2.31, first mile of £3.10 and second mile of £4.65. Copies of the Private Hire Monthly will be available for scrutiny at the meeting.
- 6.5 **Should there be any changes to the existing "Waiting Time" Charge?** The Taxi Association are not seeking any changes. This charge was changed in 2005 from 20 to 25 pence per minute. It may be considered that it is inappropriate, on this occasion, to increase this charge.
- 6.6 **Should there be any changes to the existing "Fouling Charge"?** The Fouling Charge was increased in 1999 from £35 to £40. This charge is included in order to support taxi drivers who may have problems in recovering this money and having to go out of service to clean the vehicle. It is considered that this amount is a reasonable charge that could be recovered and any increase may lead to difficulties.
- 6.7 **Should there be any changes to the existing "Extra Charges"?** There have been no requests from the trade this year for any changes and officers do not consider any changes under this heading are required.

OTHER CONSIDERATIONS:

7 CORPORATE STRATEGY (RELEVANCE TO):

This report covers issues which affect the principles of "safer and more inclusive communities" and "safeguarding our high quality environment for the future."

RESOURCE IMPLICATIONS:

None

BACKGROUND DOCUMENTS:

Correspondence in Appendix 1.

APPENDICES:

- 1. Letters from Winchester Owners and Drivers Taxi Association.
- 2. Table showing 7 possible proposals.
- 3. List of Hackney Carriage fares for other Local Authorities in Hampshire.
- 4. Fare comparison taken from The Private Hire Monthly

Winchester Taxi & Private Hire Association.

Taxi fare increase proposals 2007/2008.

The current fares at present are as follows:

£2.40 pull off and for the first 660 yards

20p every 200 yards,

The first mile is £3.60,

And then it is £1.80 per mile thereafter

So therefore:

5 mile fare is £10.80

10 miles is £19.80



The Taxi and Private hire Association have met this year in 2007, and would like to put forward before the Licensing Committee a proposal of only a small increase to the Hackney carriage fare, due to the escalating cost of fuel and running costs this being:

Richard Committee on incorrect - advised by LW. Eckton.

Steve Eckton.

Yours sincerely.

WINCHESTER CITY COUNCIL

2 4 JAN 2008

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Winchester Taxi & Private Hire Association.

Taxi fare increase proposals 2007/08.

The current fares at present are as follows:

£2.40 pull off and for the first 660 yards

20p every 200 yards,

The first mile is £3.60,

And then it is £1.80 per mile thereafter

So therefore:

5 mile fare is £10.80

10 miles is £19.80

Proposed fare 2007/2008.

Proposed fare.

£2.40 pull off and for the first 660 yards

20p every 180 yards

The first mile is £3.80

And then it is £1.95 per mile there after.

So therefore:

5 mile fare is £11.60

10 mile fare is £21.35

Table of Possible Fare Proposals 2008

PROPOSAL	Current	1	%age increase	2	%age increase	3	%age increase	4	%age increase	5	%age increase	6	%age incre ase	7	%age increase
Pull Off Charge	£2.30	£2.30		£2.40		£2.30		£2.30		£2.40		£2.30		£2.30	
Pull Off Distance	660	550		660		660		500		660		500		600	
Yardage distance	200	200		200		200		200		180		200		150	
Yardage rate	£0.20	£0.20		£0.20		£0.25		£0.20		£0.20		£0.20		£0.20	
1 mile fare	£3.50	£3.70	5.7%	£3.60	2.9%	£3.80	8.6%	£3.70	5.7%	£3.80	8.6%	£3.70	5.7%	£3.90	11.4%
2 mile fare	£5.30	£5.30	0.0%	£5.40	1.9%	£6.05	14.2%	£5.50	3.8%	£5.60	5.7%	£5.50	3.8%	£6.30	18.9%
3 mile fare	£7.10	£7.10	0.0%	£7.20	1.4%	£8.30	16.9%	£7.10	0.0%	£7.60	7.0%	£7.10	0.0%	£8.70	22.5%
4 mile fare	£8.70	£8.90	2.3%	£8.80	1.1%	£10.30	18.4%	£8.90	2.3%	£9.60	10.3%	£8.90	2.3%	£10.90	25.3%
5 mile fare	£10.50	£10.70	1.9%	£10.60	1.0%	£12.55	19.5%	£10.70	1.9%	£11.60	10.5%	£10.70	1.9%	£13.30	26.7%
10 mile fare	£19.30	£19.50	1.0%	£19.40	0.5%	£23.55	22.0%	£19.50	1.0%	£21.40	10.9%	£19.50	1.0%	£25.10	30.1%

LIST OF HACKNEY CARRIAGE FARES OF LOCAL AUTHORITIES IN HAMPSHIRE

Basingstoke and Deane*

£2.40 for first 270 yards or 1 minute 15 seconds or a combination of parts distance and time 20p for each additional 270 yards or 50 seconds until the fare exceeds £8.60 or a combination of parts distance and time

20p thereafter for each 220 yards or 50 seconds or combination of parts distance and time 20p waiting time for 50 seconds

Position in PH&T Monthly - 85 Pull off £2.20 - 1mile 3.60 - 2 miles 5.00 5 miles 8.00 and 10 miles £16.80

Eastleigh Borough Council

Rate 1 Day Rate Monday - Saturday 7am-11pm £2.00 for first 107.25 metres (1/15th mile approx) for the whole distance

10p for each subsequent 107.25 metres of the first mile (1/15th mile approx) or uncompleted part

10p for each subsequent 107.25 metres of a mile thereafter (1/15th mile approx) or uncompleted part thereof

Waiting time

20p for each period of one minute or uncompleted part thereof

Position in PH&T Monthly - 46

Pull off 2.10 - 1mile 3.60 - 2miles 5.20 5miles 10.00 and 10 miles 18.00

Gosport Borough Council*

£2.00 for first 353 metres or part thereof 60p for next 353 metres or part thereof 20p for each subsequent 231 metres or part thereof

Waiting time

20p for each period of 60 seconds or part thereof Position in PH&T Monthly - 135

Pull off 2.00 - 1mile 3.40 2miles £4.80 5 miles 9.00 and 10 miles 16.00

Havant Borough Council *

£2.20 for the first 171 metres or part thereof (minimum charge)

20p for each succeeding 234 metres of part thereof

Waiting time

20p for each period of 60 seconds

Position in PH&T Monthly - 289

Pull off £2.60 - 1mile 3.00 2miles 5.00 5 miles 11.20 and 10 miles 21.00

East Hants District Council*

Rate 1 Day rate Monday to Sunday 6am-11pm

For first 503 yards or 6 minutes (or parts of) or a combination of both £2.40

For each succeeding 251.4 yards or 40 seconds (or parts of) or a combination of both

20p

Position in PH&T Monthly - 132

Pull of 2.40 - 1mile 3.40 - 2miles £4.80 5miles - 9.00 and 10miles 16.80

Fareham Borough Council*

Rate 1

£2.00 for the first 200 metres or part thereof 20p for each succeeding 200 metres or part thereof

Waiting time

20p for each period of 60 seconds or part the sof

Position in PH&T Monthly - 244

Pull off 2.00 - 1mile 3.20 - 2miles £4.40 5miles £8.40 and 10 miles £16.20

Hart District Council

£2.60 for first 8/10 of mile

20p for each subsequent 1/10 of a mile or part thereof

Waiting time

33p for each 1 minute period or part thereof

Position in PH&T Monthly - 99

Pull off 2.60 - 1mile 3.00 2miles 5.00 5 miles £16.00 and 10 miles 21.00

Isle of Wight Council*

3.00 for distance not exceeding 1760 yards or

40p for each succeeding 440 yards or part thereof (this charge is operational after the first 1 mile for the next 4 miles)

30p thereafter for each succeeding 440 yards or part thereof

30p Waiting time for each period of 60 seconds

Position in PH&T Monthly - 190

Pull off 3.00 1mile 3.00 2miles 4.60 5 miles 9.00 and 10 miles 15.00

New Forest District Council*	Portsmouth City Council
Tariff 1	Portsmouth City Council*
7am to 11pm	Tariff 1 – 07:00 to 22:00
£2.00 for 950 yards or Part thereof	£2.00 for first 234.66 yards (214.57 metres) or
20p for each subsequent 175 yards or part	53.33 seconds or part thereof
thereof	20p for each additional 234.66 yards (214.57
20p Waiting time for each 50 seconds waiting	metres) or 53.33 seconds or part thereof until the
	fare reaches £11.00.
time or part thereof.	
	20p thereafter for each 173.1 yards (158.28
	metres) or 38.38 seconds or part thereof
	Waiting time £13.50 per hour
Position in PH&T Monthly - 104	Position in PH&T Monthly - 107
Pull off 2.00 1mile 3.00 2miles 5.00	Pull off 2.00 1mile 3.40 2miles 5.00
5 miles 11.20 and 10 miles 21.20	5 miles 9.40 and 10 miles 17.00
Rushmoor Borough Council*	Southampton City Council*
Rate 1	(daytime rate – 06:00-23:00)
Between 07:00 and 17:59 hours	£2.00 for the first 110 metres or part thereof
First7/10 th of a mile or part thereof £2.40	20p for the next 110 metres or part thereof
Each subsequent 1/10 th of a mile or part thereof	20p for the next 110 metres or part thereof
20p	20p for the next 110 metres or part thereof
Thereafter, for each subsequent 1/10 th of a mile	20p for the next 110 metres or part thereof
or part thereof 30p	20p for each subsequent 235 metres of part
Waiting time 30p per minute	thereof.
waiting time sop per minute	20p Waiting time for each period of 45 seconds or
	part thereof. Proposal (if agreed, from 8 th October 2007)
	(daytime rate – 06:00-23:00)
	£2.90 for the first 550 metres or part thereof
	20p for each subsequent 230 metres of part
	thereof.
	20p Waiting time for each period of 45 seconds or
	part thereof
Position in PH&T Monthly - 109	Position in P.H.&T Monthly - 59
Pull off 2.40 1mile 3.00 2miles 5.00	Pull off 2.00 1mile 3.80 and 2 miles 5.20
5 miles 11.00 and 10 miles 21.20	5 miles 9.20 and 10 miles 16.20
Test Valley Borough Council*	Winchester City Council*
Tariff 1	For the first 660 yards (603 metres) or part
7.00am - Midnight	thereof (minimum charge) £2.40
3.40 for first 1/2 mile (880 yards)	For each succeeding 200 yards (183 metres) or
10p for each 1/11 mile (160 yards) thereafter	part thereof 20p
Waiting time	Waiting time
10p for each 20 seconds or part thereof	25p for each period of 1 minute
Position in PH&T Monthly - 229	
Pull off 3.40 1 mile 3.40 2 miles 4.50	Position in PH&T Monthly - 33
5miles 7.00 and 10 miles 13.30	
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Compiled 23.03.01 - Items * updated 21.8.2007

NATIONAL LEAGUE TABLE - DECEMBER 2007

Colour Code for the Table

Rise in 2007 Rise in 2006 **Rise in 2005** Rise in 2004 Rise in 2003

> Rise in 2001 Rise in 1999

The national average 1 flag at T1	£2.31
The national average 1 flag at T2	€3.10
The national average 1 mile fare T1 is now	£3.10
The national average 1 mile fare T 2 is now	€4.15
The national average 2 mile fare T1 is now	€4.65
The national average 2 mile fare T 2 is now	€6.19
The national average 5 mile fare T1 is now	€9.32
The national average 5 mile fare T 2 is now	£12.33
The national average 10 mile fare T1 is now	£17.14
The national average 10 mile fare T 2 is now	£22.65
The national average running mile on T1 is now	£1.55
The national average running mile on T2 is now	€2.04

TARIFF ONE 2 MILE FARES	
372- (98%) of all T1 fares are at / better than	€3.70
235- (62%) of all councils set 2 mile fares at / or over	€4.50
306- (81%) of all councils set 2 mile fares at / or over	£4.20
333- (88%) of all councils set 2 mile fares BETTER than	£4.00
347- (92%) of all councils set 2 mile fares at / or over	€4.00
120- (32%) of councils now set 2 mile fares at / or over	£5.00
3 councils now set fares at / or over	€6.00
TARIFF ONE 5 MILE FARES	
371- (98%) of all T1 fares are at/better than	£7.00
225- (60%) of all councils set 5 mile fares at / or over	€9.00
294- (78%) of all councils set 5 mile fares at / or over	€8.25
317- (84%) of all councils set 5 mile fares BETTER than	€8.00
355- (94%) of all councils set 5 mile fares at / or over	€7.50
113- (29%) of councils now set 5 mile fares at / or over	£10.00
3 councils now set fares at / or over	€13.00
T17155 0N5 40 MU 5 54750	
TARIFF ONE 10 MILE FARES	
374- (99%) of all T1 fares are at/better than	£11.00
212- (56%) of all councils set 10 mile fares at / or over	£16.50
296- (78%) of all councils set 10 mile fares at / or over	£15.00
337- (89%) of all councils set 10 mile fares BETTER than	€14.00
359- (95%) of all councils set 10 mile fares at / or over	€13.00
93 - (25%) of councils now set 10 mile fares at / or over	€19.00
2 councils now set fares at / or over	£25.00

TARIFF TWO 2 MILE FARES	
365- (97%) of all T2 fares are at/better than	€4.50
210- (56%) of all councils set 2 mile fares at / or over	€6.00
315- (83%) of all councils set 2 mile fares at / or over	€5.20
145- (38%)of all councils set 2 mile fares at / or over	€6.50
328- (87%) of all councils set 2 mile fares at / or over	€5.00
92 - (24 %) of councils now set 2 mile fares at / or over	€7,00
2 councils now set fares at / or over	€10.00
TARIFF TWO 5 MILE FARES	
374- (99%) of all T1 fares are at/better than	€8.00
182- (48%) of all councils set 5 mile fares at / or over	€12.00
308- (81%) of all councils set 5 mile fares at / or over	£10.00
329- (87%) of all councils set 5 mile fares at / or over	€9.50
352- (93%) of all councils set 5 mile fares at / or over	69.00
106 - (28%) of councils now set 5 mile fares at / or over	€14.00
3 councils now set fares at / or over	€20.00
TARIFF TWO 10 MILE FARES	i .
368- (97%) of all T1 fares are at/better than	£15.00
203- (54%) of all councils set 10 mile fares at / or over	£21.00
304- (80%) of all councils set 10 mile fares at / or over	£18.00
327- (87%) of all councils set 10 mile fares BETTER than	£17.00
352- (93%) of all councils set 10 mile fares at / or over	£16.00
127- (34%) of councils now set 10 mile fares at / or over	£25.00
3 councils now set fares at / or over	€45.00

NATIONAL TARIFF SHEET NOTES

If the Running mile is shown in Italics with a single * then the tariff sheet includes a change in distance rates as the journey progresses - £1.51**
If the Running mile is shown in Italics with a double* * then the tariff sheet includes two changes in distance rates as the journey progresses - £1.51**
If the Running mile is shown in Italics the tariff sheet includes distances and prices that are mathematically inconsistent with each other - £1.76
If the tariff sheet has more than two evening or night rates the midnight to dawn rate is always the fare shown
The percentage details given in the "extra for nights" column are between the day and night running mile rates

If you believe that any of the details in the table are incorrect in any way please contact us on 0161 280 2800 or by E - mail at npha@btconnect.com

Copies of the table are always available by e-mail and assistance in preparing an application or checking a tariff sheet before implementation is always availablejust pick up the phone.

25 changes since start of November and they are listed below. We are aware that the prices at the petrol pumps have led to a stampede to get fares raised so if we have missed you out give us a ring and we will correct for the Jan edition - thanks

HART, IPSWICH, HUNTINGDONSHIRE, FAREHAM, SUFFOLK COASTAL, HAVANT, KNOWSLEY, WAVENEY, MANSFIELD, DURHAM, DARTFORD, EAST HERTS, CARLISLE, CORBY, LIVERPOOL, ABERDEENSHIRE, NORTH HERTS, OLDHAM, RUSHMOOR, BATH & N.E.SOMERSET, CASTLE POINT, TORBAY, RHONDDA CYNON TAFF, GUILDFORD, SOUTH TYNESIDE

COUNCIL EPSOM & EWELL LONDON CARADON HERTSMERE MID SUSSEX LUTON (AIRPORT) 10 WALE OF WHITE HORS

