

REGULATORY AND APPEALS COMMITTEE

24 October 2011

Title of paper:	Hackney Carriage Fares Tariff Increase	
Director(s)/ Corporate Director(s):	Andrew Errington Corporate Director Community Protection	Wards affected: All
Contact Officer(s) and contact details:	Angela Rawson 0115 9152033 Angela.rawson@nottinghamcity.gov.uk	
Other officers who have provided input:	Ann Barrett 0115 8764411	
Relevant Council Plan theme(s):		
Choose Nottingham		x
Respect for Nottingham		
Transforming Nottingham's Neighbourhoods		
Supporting Nottingham People		x
Serving Nottingham Better		x
Summary of issues (including benefits to customers/service users):		
<p>This report asks members to consider authorising an increase in hackney carriage fares. Although this will increase the costs of journeys for the fare paying public, the increase in fares will allow hackney carriage proprietors to maintain their vehicles in good order and will assist in providing access to income which will allow maintenance and the upgrading of vehicles to meet the Councils requirements.</p>		
Recommendation(s):		
1	Subject to there being no outstanding objections the hackney carriage fare table outlined in appendix '1' be approved to take effect from 06.00 hrs Monday 05 December 2011.	
2	In the event that there are outstanding objections, all final decisions on the proposed fare increase and its implementation date, be delegated to the Director of Community Protection, in consultation with the chair, vice-chair and opposition spokesperson.	
3	The Director of Community Protection be authorised to advertise the proposals in accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976	
4	The Committee confirm whether it is content for fees and charges to be dealt with under delegated powers in the future regardless of the level of the proposed fare increase.	

1 BACKGROUND

- 1.1 For journeys that are wholly within the City boundary, Hackney Carriages are required to charge fares in accordance with a fare table set by the Council. Whilst they cannot charge more, they can charge less if they chose to do so. A verbal request was received from the Hackney Carriage Association to increase the fares currently permitted to be charged.
- 1.2 Delegated authority was previously granted to the Team Leader – Taxi Licensing (Now the Licensing Manager) to approve fare tariff increases up to 3%. However, this request is outside of that agreement. As Councillors will be aware however the Scheme of Delegation was replaced by Council on 12th September 2011 and the current Delegation (No.89) makes no reference to the 3% limit thereby enabling Officers to agree any level of increase for fees and charges of all types. The Committee is asked to confirm whether it is content with this or whether it wishes the Scheme to be amended to reflect the previous 3% threshold.
- 1.3 A comparison of the current and proposed tariff is attached at Appendix 1, together with information relating to percentage increases, average fare and fuel costs.
- 1.4 Any alteration to the current hackney carriage tariff must be advertised in a local paper and allow for any objections made to be considered in accordance with section 65 of the Local Government (Miscellaneous Provisions) Act 1976.

2 REASONS FOR RECOMMENDATIONS (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The last increase in fares was October 2009. Although this request is for an increase above the rate of inflation it is recommended that it is approved in view of the length of time since the last increase in fares.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Refusing the application for a tariff increase has been considered, but rejected as the hackney carriage trade are also facing increases in the cost of licences and need to maintain income levels to allow maintenance/repair/replacement of vehicles. It is also felt that delaying any increase in licence fees could result in a steeper increase in fares in the future which would be unacceptable to the public.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY)

- 4.1 There will be costs of advertising the proposal and printing the tariff cards for placing in the hackney carriages for customer information. There will also be costs in placing markings on the highway in order for the accuracy of the fare meter to be checked and verified. These costs can be met from the current budget.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS, CRIME AND DISORDER ACT IMPLICATIONS AND EQUALITY AND DIVERSITY IMPLICATIONS)

- 5.1 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 gives the Council a wide power to determine fees subject to a statutory process being followed. The recommendations are within the Committees powers.

6 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE

DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

6.1 None

7 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

7.1 Section 65 Local Government (Miscellaneous Provisions) Act 1976

FARE INCREASE REQUEST FOR 2011

MAXIMUM RATES OF FARES

6.00am -10.00pm

Current

£2.00

For any distance up to, but not including 180 metres

20p for each subsequent 180 metres up to 1620 metres

20p for each subsequent 190 metres up to 11,310 metres

20p for each subsequent 185 metres or part thereof

20p waiting time for each 51 seconds (**£14.10** per hour)

10.00pm – 6.00am

Current

£2.00

For any distance up to, but not including 170 metres

20p for each subsequent 160 metres up to 1610 metres

20p for each subsequent 170 metres up to 11,300 metres

20p for each subsequent 160 metres or part thereof

20p waiting time for each 45 seconds (**£16.00** per hour)

Proposed

£2.00

For any distance up to, but not including 165 metres

20p for each subsequent 165 metres up to 1650 metres

20p for each subsequent 179 metres up to 11,316 metres

20p for each subsequent 165 metres or part thereof

20p waiting time for each 48 seconds (**£15.00** per hour)

Proposed

£2.00

For any distance up to, but not including 150 metres

20p for each subsequent 150 metres up to 1650 metres

20p for each subsequent 165 metres up to 11,385 metres

20p for each subsequent 155 metres or part thereof

20p waiting time for each 42 seconds (**£17.10** per hour)

Fare and a half

Current

6.00pm 24 Dec – 6.00am 27 Dec
6.00pm 31 Dec – 6.00am 02 Jan

Soiling Charge:*

Current
£35.00

Fare and a half

Proposed

6.00pm 24 December – 6.00am 27 Dec
6.00pm 31 December – 6.00am 02 Jan

Soiling Charge:*

Proposed
£35.00

* This charge is not enforceable by the Taxi Licensing Section but reflects what is perceived as a fair charge for the amount of downtime a proprietor can experience when the vehicle is not fee earning and requires cleansing for future customer use.

Cost per mile of both the current and proposed tariffs

	Current		Proposed		% increase	
	Day	(Night)	Day	(Night)	Day	(Night)
1 mile	= £3.60	£3.80	£3.80	£4.00	5.56	5.26
2 miles	= £5.30	£5.70	£5.60	£6.00	5.66	5.26
3 miles	= £7.00	£7.60	£7.40	£8.00	5.71	5.26
4 miles	= £8.70	£9.50	£9.20	£10.00	5.75	5.26
5 miles	= £10.40	£11.40	£11.00	£11.80	5.77	3.51
6 miles	= £12.10	£13.30	£12.80	£13.80	5.79	3.76
7 miles	= £14.00	£15.20	£14.60	£15.80	4.29	3.95
8 miles	= £15.70	£17.10	£16.60	£17.80	5.73	4.09
9 miles	= £17.40	£19.00	£18.60	£19.80	6.90	4.21
10 miles	= £19.10	£20.90	£20.40	£22.00	6.81	5.26

The following statistics are taken from the trade magazine "Private Hire and Taxi Monthly" February 2011. (380 Councils are compared in England, Scotland and Wales)

The national average for a 1 mile fare (daytime) is £3.45 The national average for a 1 mile fare (evening) is £4.58
 The national average for a 5 mile fare (daytime) is £10.25 The national average for a 5 mile fare (evening) is £13.50
 The national average for a 10 mile fare (daytime) is £18.90 The national average for a 10 mile fare (evening) is £24.78

Average monthly UK retail price for petrol and Diesel fuel (pence per litre)

UK Petrol Prices for Sunday 27th Feb 2011

	Avg.	Min.	Max.
Unleaded:	129.85p	124.9p	143.9p
Diesel:	135.10p	129.9p	149.9p
LRP:	130.00p	128.9p	129.9p
Super:	137.43p	127.9p	149.9p
LPG:	77.05p	69.9p	85.9p

Prices above are taken from the website www.petrolprices.com

