REPORT OF CORPORATE DIRECTOR OF CITY DEVELOPMENT

REQUEST FOR AN INCREASE IN THE HACKNEY CARRIAGE TARIFF

1 SUMMARY

The Hackney carriage trade have requested that the fares that they are currently allowed to charge the public be increased.

Trade representatives and Officers have had discussions about this matter but have not been able to agree the way forward, therefore several options have been put before Members for their consideration.

2 RECOMMENDATIONS

Members are advised that the last fare (or tariff) increase was on 18th November 2002. The current request includes a percentage increase for evening journeys that is above inflation. Members are asked to consider the following options and determine what course of action is to be pursued.

- That the increase requested by the hackney carriage trade be approved, and implemented as soon as practicable, subject to consideration being given to any objections being received to the statutory advertising of any proposed increase. (This is the trades preferred option.)
- 2. That the increase requested by the hackney carriage trade be approved, but not implemented until April 2004. (This is the Officers preferred option)
- 3. That a decision on the tariff increase requested be deferred to a future meeting
- 4. That the request for a tariff increase be refused at this time.

If any tariff increase is proposed then it is requested that the Assistant Director, together with the Board Member for Transport Services, be authorised to consider any objections received reference the proposed increase as a result of the statutory advertisements.

3 BACKGROUND

There is no set time or other cut off point when hackney carriage fare increases must be implemented. Each request is considered on its own merits. The last tariff increase before November 2002 was December 2000.

The Hackney Carriage Trade have submitted a letter in support of their application for a tariff increase and this is attached at appendix 2 of this report.

4 PROPOSALS

The requested tariff increase is as follows.

6.00am to 10.00pm

Initial hiring increases from £1.40 to £1.60. An increase of 12.5%

Fares for distance travelled are as currently set.

Charges for waiting time increase from 20p for 60 seconds (£12.00 per hour) to 20p for 57 seconds. (£12.60 per hour) An increase of 4.75%

10.00pm to 6.00am

Initial hiring increases from £1.40 to £1.60. An increase of 12.5%

Fares for the distance travelled is also increased (More detailed information is contained at the end of this report in appendix 1.)

Charges for waiting time increase from 20p for 60 seconds (£12.00 per hour) to 20p for 52 seconds. (£13.80 per hour.) An increase of 13%.

The above fares would be the **maximum** that can be charged. This is current practise and is also in line with the recommendations contained in the recent report issued by the Office of Fair Trading.

5 FINANCIAL IMPLICATIONS

There will be a cost to the Taxi Licensing Section of advertising any proposed increase and having new tariff cards printed. Marks will also need to be made on the Embankment to allow the checking of the calibration and accuracy of the meters. The marks are measured and

positioned by Officers at Eastcroft depot. These costs can be contained within the current budget.

6 **LEGAL IMPLICATIONS**

None

7 OBSERVATIONS OF OTHER OFFICERS

None

8 EQUAL OPPORTUNITIES IMPLICATIONS

Any alteration to a hackney tariff will affect all vehicle proprietors and will therefore be equal for all.

9 CORPORATE OBJECTIVES

Income relating to any proposed increase would be partly used to fund maintenance on the hackney vehicle. This would enable vehicles to comply with matters such as cleaner exhaust emissions.

10 BEST VALUE

If fares are set too high then potential passengers may shy away from licensed hackney carriages in favour of cheaper, but illegal, vehicles. Alternatively, if fares are not adequate for proprietors to maintain their vehicles, then mechanical standards may fall resulting in vehicles not being so well maintained as at present.

11 <u>list of background papers other than published works or those disclosing confidential or exempt information</u>

None

12 Published documents referred to in compiling this report

None

CORPORATE DIRECTOR OF CITY DEVELOPMENT

Lawrence House

Contact Officer: Jim Mortell Telephone Number: 0115 9156543

Email: jim.mortell@nottinghamcity.gov.uk

Appendix 1

Current Hackney Carriage Tariff Distance Travelled and Fare Charged – 06.00hrs – 22.00hrs

0 – 189.9 Metres	£1.40	6142 – 6385.9 Metres	£6.80	12730 – 12973.9 Metres	£12.20
190 – 377.9 Metres	£1.60	6386 – 6629.9 Metres	£7.00	12974 – 13217.9 Metres	£12.40
378 – 565.9 Metres	£1.80	6630 – 6873.9 Metres	£7.20	13218 – 13461.9 Metres	£12.60
566 – 753.9 Metres	£2.00	6874 – 7117.9 Metres	£7.40	13462 – 13705.9 Metres	£12.80
754 – 941.9 Metres	£2.20	7118 – 7361.9 Metres	£7.60	13706 – 13949.9 Metres	£13.00
942 – 1129.9 Metres	£2.40	7362 – 7605.9 Metres	£7.80	13950 – 14193.9 Metres	£13.20
1130 – 1317.9 Metres	£2.60	7606 – 7849.9 Metres	£8.00	14194 – 14437.9 Metres	£13.40
1318 – 1505.9 Metres	£2.80	7850 – 8093.9 Metres	£8.20	14438 – 14681.9 Metres	£13.60
1506 - 1749.9 Metres	£3.00	8094 - 8337.9 Metres	£8.40	14682 - 14925.9 Metres	£13.80
1750 - 1993.9 Metres	£3.20	8338 - 8581.9 Metres	£8.60	14926 - 15169.9 Metres	£14.00
1994 - 2237.9 Metres	£3.40	8582 - 8825.9 Metres	£8.80	15170 - 15413.9 Metres	£14.20
2238 - 2481.9 Metres	£3.60	8826 - 9069.9 Metres	£9.00	15414 - 15657.9 Metres	£14.40
2482 - 2725.9 Metres	£3.80	9070 - 9313.9 Metres	£9.20	15658 - 15901.9 Metres	£14.60
2726 - 2969.9 Metres	£4.00	9314 - 9557.9 Metres	£9.40	15902 - 16145.9 Metres	£14.80
2970 - 3213.9 Metres	£4.20	9558 - 9801.9 Metres	£9.60	16146 - 16389.9 Metres	£15.00
3214 - 3457.9 Metres	£4.40	9802 - 10045.9 Metres	£9.80	16390 - 16633.9 Metres	£15.20
3458 - 3701.9 Metres	£4.60	10046 - 10289.9 Metres	£10.00	16634 – 16877.9 Metres	£15.40
3702 - 3945.9 Metres	£4.80	10290 - 10533.9 Metres	£10.20	16878 - 17121.9 Metres	£15.60
3946 - 4189.9 Metres	£5.00	10534 - 10777.9 Metres	£10.40	17122 - 17365.9 Metres	£15.80
4190 – 4433.9 Metres	£5.20	10778 - 11021.9 Metres	£10.60	17366 - 17609.9 Metres	£16.00
4434 – 4677.9 Metres	£5.40	11022 – 11265.9 Metres	£10.80	17610 – 17853.9 Metres	£16.20
4678 – 4921.9 Metres	£5.60	11266 – 11509.9 Metres	£11.00		
4922 – 5165.9 Metres	£5.80	11510 – 11753.9 Metres	£11.20		
5166 – 5409.9 Metres	£6.00	11754 – 11997.9 Metres	£11.40	Fares marked in red indic	ate amount
5410 – 5653.9 Metres	£6.20	11998 – 12241.9 Metres	£11.60	charged for each subsequ	ıent mile.
5654 – 5897.9 Metres	£6.40	12242 – 12485.9 Metres	£11.80		
5898 – 6141.9 Metres	£6.60	12486 – 12729.9 Metres	£12.00		

Current Hackney Carriage Tariff

Distance Travelled and Fare Charged – 22.00hrs – 06.00hrs

0 – 187.9 Metres	£1.60	5956 - 6183.9 Metres	£7.00	12112 - 12339.9 Metres	£12.40
188 – 375.9 Metres	£1.80	6184 – 6411.9 Metres	£7.20	12340 - 12567.9 Metres	£12.60
376 - 563.9 Metres	£2.00	6412 - 6639.9 Metres	£7.40	12568 - 12795.9 Metres	£12.80
564 – 751.9 Metres	£2.20	6640 - 6867.9 Metres	£7.60	12796 - 13083.9 Metres	£13.00
752 – 939.9 Metres	£2.40	6868 - 7095.9 Metres	£7.80	13084 - 13311.9 Metres	£13.20
940 – 1127.9 Metres	£2.60	7096 – 7323.9 Metres	£8.00	13312 – 13539.9 Metres	£13.40
1128 – 1315.9 Metres	£2.80	7324 – 7551.9 Metres	£8.20	13540 - 13767.9 Metres	£13.60
1316 – 1503.9 Metres	£3.00	7552 - 7779.9 Metres	£8.40	13768 – 13995.9 Metres	£13.80
1504 – 1731.9 Metres	£3.20	7780 – 8007.9 Metres	£8.60	13996 – 14223.9 Metres	£14.00
1732 – 1959.9 Metres	£3.40	8008 – 8235.9 Metres	£8.80	14224 - 14451.9 Metres	£14.20
1960 – 2187.9 Metres	£3.60	8236 – 8463.9 Metres	£9.00	14452 – 14679.9 Metres	£14.40
2188 – 2415.9 Metres	£3.80	8464 – 8691.9 Metres	£9.20	14680 - 14907.9 Metres	£14.60
2416 – 2643.9 Metres	£4.00	8692 – 8919.9 Metres	£9.40	14908 – 15315.9 Metres	£14.80
2644 – 2871.9 Metres	£4.20	8920 - 9147.9 Metres	£9.60	15316 – 15363.9 Metres	£15.00
2872 – 3009.9 Metres	£4.40	9148 – 9375.9 Metres	£9.80	15364 – 15591.9 Metres	£15.20
3100 – 3327.9 Metres	£4.60	9376 – 9603.9 Metres	£10.00	15592 – 15819.9 Metres	£15.40
3328 – 3555.9 Metres	£4.80	9604 – 9831.9 Metres	£10.20	15820 – 16047.9 Metres	£15.60
3556 – 3783.9 Metres	£5.00	9832 – 10059.9 Metres	£10.40	16048 – 16275.9 Metres	£15.80
3784 – 4011.9 Metres	£5.20	10060 – 10287.9 Metres	£10.60	16276 – 16503.9 Metres	£16.00
4012 – 4239.9 Metres	£5.40	10288 – 10515.9 Metres	£10.80	16504 – 16731.9 Metres	£16.20
4240 – 4467.9 Metres	£5.60	10516 - 10743.9 Metres	£11.00	16732 – 16959.9 Metres	£16.40
4468 – 4695.9 Metres	£5.80	10744 – 10971.9 Metres	£11.20	16960 – 17187.9 Metres	£16.60
4696 – 4983.9 Metres	£6.00	10972 – 11199.9 Metres	£11.40	17188 – 17415.9 Metres	£16.80
4984 – 5211.9 Metres	£6.20	11200 – 11427.9 Metres	£11.60	17416 – 17643.9 Metres	£17.00
5212 - 5499.9 Metres	£6.40	11428 – 11655.9 Metres	£11.80	17644 – 17871.9 Metres	£17.20
5500 - 5727.9 Metres	£6.60	11656 – 11883.9 Metres	£12.00	Fares marked in red indica	ate amount
5728 - 5955.9 Metres	£6.80	11884 – 12111.9 Metres	£12.20	charged for each subsequ	ent mile.

Proposed Hackney Carriage Tariff

Distance Travelled and Fare Charged – 06.00hrs – 22.00hrs

0 – 182.9 Metres	£1.60	6043 - 6283.9 Metres	£7.00	12550 – 12790.9 Metres	£12.40
183 – 365.9 Metres	£1.80	6284 – 6524.9 Metres	£7.20	12791 – 13031.9 Metres	£12.60
366 – 548.9 Metres	£2.00	6525 – 6765.9 Metres	£7.40	13032 – 13272.9 Metres	£12.80
549 – 731.9 Metres	£2.20	6766 – 7006.9 Metres	£7.60	13273 – 13513.9 Metres	£13.00
732 – 914.9 Metres	£2.40	7007 – 7247.9 Metres	£7.80	13514 – 13754.9 Metres	£13.20
915 – 1097.9 Metres	£2.60	7248 – 7488.9 Metres	£8.00	13755 – 13995.9 Metres	£13.40
1098 – 1280.9 Metres	£2.80	7489 – 7729.9 Metres	£8.20	13996 - 14236.9 Metres	£13.60
1281 – 1463.9 Metres	£3.00	7730 – 7970.9 Metres	£8.40	14237 – 14477.9 Metres	£13.80
1464 – 1704.9 Metres	£3.20	7971 – 8211.9 Metres	£8.60	14478 – 14718.9 Metres	£14.00
1705 – 1945.9 Metres	£3.40	8212 - 8452.9 Metres	£8.80	14719 - 14959.9 Metres	£14.20
1946 – 2186.9 Metres	£3.60	8453 - 8693.9 Metres	£9.00	14960 - 15200.9 Metres	£14.40
2187 – 2427.9 Metres	£3.80	8694 - 8934.9 Metres	£9.20	15201 – 15441.9 Metres	£14.60
2428 - 2668.9 Metres	£4.00	8935 – 9175.9 Metres	£9.40	15442 - 15682.9 Metres	£14.80
2669 - 2909.9 Metres	£4.20	9176 – 9416.9 Metres	£9.60	15683 – 15923.9 Metres	£15.00
2910 - 3150.9 Metres	£4.40	9417 – 9657.9 Metres	£9.80	15924 – 16164.9 Metres	£15.20
3151 – 3391.9 Metres	£4.60	9658 - 9898.9 Metres	£10.00	16165 - 16405.9 Metres	£15.40
3392 - 3632.9 Metres	£4.80	9899 - 10139.9 Metres	£10.20	16406 - 16646.9 Metres	£15.60
3633 - 3873.9 Metres	£5.00	10140 - 10380.9 Metres	£10.40	16647 - 16887.9 Metres	£15.80
3874 - 4114.9 Metres	£5.20	10381 - 10621.9 Metres	£10.60	16888 - 17128.9 Metres	£16.00
4115 – 4355.9 Metres	£5.40	10622 - 10862.9 Metres	£10.80	17129 - 17369.9 Metres	£16.20
4356 – 4596.9 Metres	£5.60	10863 - 11103.9 Metres	£11.00	17370 - 17610.9 Metres	£16.40
4597 – 4837.9 Metres	£5.80	11104 - 11344.9 Metres	£11.20	17611 – 17851.9 Metres	£16.60
4838 - 5078.9 Metres	£6.00	11345 – 11585.9 Metres	£11.40		
5079 - 5319.9 Metres	£6.20	11586 - 11826.9 Metres	£11.60	Fares marked in red indicate	ate amount
5320 - 5560.9 Metres	£6.40	11827 - 12067.9 Metres	£11.80	charged for each subsequ	ent mile.
5361 - 5801.9 Metres	£6.60	12068 - 12308.9 Metres	£12.00		
5802 - 6042.9 Metres	£6.80	12309 - 12549.9 Metres	£12.20		

Proposed Hackney Carriage Tariff

Distance Travelled and Fare Charged – 22.00hrs – 06.00hrs

0 – 176.9 Metres	£1.60	5501 – 5715.9 Metres	£7.00	11306 – 11520.9 Metres	£12.40
177 – 353.9 Metres	£1.80	5716 – 5930.9 Metres	£7.20	11521 – 11735.9 Metres	£12.60
354 – 530.9 Metres	£2.00	5931 – 6145.9 Metres	£7.40	11736 – 11950.9 Metres	£12.80
531 – 707.9 Metres	£2.20	6146 – 6360.9 Metres	£7.60	11951 – 12165.9 Metres	£13.00
708 – 884.9 Metres	£2.40	6361 – 6575.9 Metres	£7.80	12166 – 12380.9 Metres	£13.20
885 – 1061.9 Metres	£2.60	6576 – 6790.9 Metres	£8.00	12381 – 12595.9 Metres	£13.40
1062 – 1238.9 Metres	£2.80	6791 – 7005.9 Metres	£8.20	12596 – 12810.9 Metres	£13.60
1239 – 1415.9 Metres	£3.00	7006 – 7220.9 Metres	£8.40	12811 – 13025.9 Metres	£13.80
1416 – 1630.9 Metres	£3.20	7221 – 7435.9 Metres	£8.60	13026 – 13240.9 Metres	£14.00
1631 – 1845.9 Metres	£3.40	7436 – 7650.9 Metres	£8.80	13241 – 13455.9 Metres	£14.20
1846 – 2060.9 Metres	£3.60	7651 – 7865.9 Metres	£9.00	13456 - 13670.9 Metres	£14.40
2061 – 2275.9 Metres	£3.80	7866 – 8080.9 Metres	£9.20	13671 – 13885.9 Metres	£14.60
2276 - 2490.9 Metres	£4.00	8081 – 8295.9 Metres	£9.40	13886 – 14100.9 Metres	£14.80
2491 – 2705.9 Metres	£4.20	8296 – 8510.9 Metres	£9.60	14101 – 14315.9 Metres	£15.00
2706 – 2920.9 Metres	£4.40	8511 – 8725.9 Metres	£9.80	14316 – 14530.9 Metres	£15.20
2921 - 3135.9 Metres	£4.60	8726 – 8940.9 Metres	£10.00	14531 – 14745.9 Metres	£15.40
3136 - 3350.9 Metres	£4.80	8941 – 9155.9 Metres	£10.20	14746 – 14960.9 Metres	£15.60
3351 – 3565.9 Metres	£5.00	9156 – 9370.9 Metres	£10.40	14961 – 15175.9 Metres	£15.80
3566 - 3780.9 Metres	£5.20	9371 – 9585.9 Metres	£10.60	15176 – 15390.9 Metres	£16.00
3781 – 3995.9 Metres	£5.40	9586 – 9800.9 Metres	£10.80	15391 – 15605.9 Metres	£16.20
3996 – 4210.9 Metres	£5.60	9801 – 10015.9 Metres	£11.00	15606 – 15820.9 Metres	£16.40
4211 – 4425.9 Metres	£5.80	10016 – 10230.9 Metres	£11.20	15821 – 16035.9 Metres	£16.60
4426 – 4640.9 Metres	£6.00	10231 – 10445.9 Metres	£11.40	16036 – 16250.9 Metres	£16.80
4641 – 4855.9 Metres	£6.20	10446 - 10660.9 Metres	£11.60	16251 – 16465.9 Metres	£17.00
4856 - 5070.9 Metres	£6.40	10661 – 10875.9 Metres	£11.80	16466 - 16680.9 Metres	£17.20
5071 - 5285.9 Metres	£6.60	10876 - 11090.9 Metres	£12.00	16681 – 16895.9 Metres	£17.40
5286 - 5500.9 Metres	£6.80	11091 - 11305.9 Metres	£12.20	16896 – 17110.9 Metres	£17.60

Hackney Carriage Proposed Tariff Increase Comparison of existing and proposed charges per mile Percentage Increase

	Existing	Proposed	Increase	Existing	Proposed	Increase
	Daytime	Daytime		Evening	Evening	
1 mile	£3.00	£3.20	6.25%	£3.20	£3.20	0%
2 mile	s £4.40	£4.60	4.35%	£4.60	£4.80	4.15%
3 mile	s £5.60	£5.80	3.45%	£6.00	£6.20	3.20%
4 mile	s £7.00	£7.20	2.75%	£7.40	£7.80	5.15%
5 mile	s £8.20	£8.60	4.65%	£8.80	£9.20	4.35%
6 mile	s £9.60	£9.80	2.05%	£10.20	£10.80	5.55%
7 mile	s £10.80	£11.20	3.55%	£11.60	£12.20	4.90%
8 mile	s £12.20	£12.60	3.15%	£13.00	£13.80	5.80%
9 mile	s £13.60	£14.00	2.85%	£14.40	£15.20	5.25%
10 mil	es £14.80	£15.20	2.65%	£15.80	£16.80	5.95%
11 Mil	es £16.20	£16.60	2.40%	£17.20	£18.20	5.50%

Taxi Licensing Section,
Development and Environmental
Services Department,
Lawrence House, Talbot Street,
Nottingham. NG1 5NT.

41, Sedgley Avenue, Sneinton, Nottingham. NG2 4JA.

My Ref: MH-NFT/L2

Dear Mr Jim Mortell (Team Leader),

Re: Hackney Carriage Fare Increase Proposal

Following the submission of the above item to you, on 07-07-2003 and after the discussion with you, we at NLTODA (Nottingham Licensed Taxi Owners Drivers Association) have agreed to request for a variation in the Waiting Time as part of the above proposal.

As you are aware, the Main Changes that NLTODA has requested from the Current Hackney Carriage (HC) Fare Rate, have already been supplied to you on 07-07-2003. We at NLTODA are also, requesting a variance in the Waiting Time charges:

1. 20p (twenty pence) for every 57 (fifty-seven) seconds — Day-Time; 2. 20p (twenty pence) for every 52 (fifty-two) seconds — Night-Time.

The Net-Results of the Request to increase the Waiting Times in the HC Fares are:

Day-Time - The Hourly Fare for Waiting Time will increase from £12.00 to £12.60,

Night-Time - The Hourly Fare for Waiting Time will increases from £12.00 to £13.80.

I await your earliest reply and please do not hesitate to contact me for any further information. Thanking you in anticipation.

Regards,

Mr Mahfuz Hussain - Treasurer of NLTODA

Cc. Mr Rehmat Khan (Chairperson NLTODA) & Mr Basheer Latif (Secretary NLTODA)

Taxi Licensing Section, Development and Environmental Services Department, Lawrence House, Talbot Street, Nottingham. NG1 5NT. 41, Sedgley Avenue, Sneinton, Nottingham. NG2 4JA.

My Ref: MH-NFT/L1

Wednesday 5th, November 2003.

Dear Mr Jim Mortell (Team Leader),

Re: Hackney Carriage Fare Increase Proposal

Following the submission of the above item to you, on 07-07-2003 and following on from the recent conversations with yourself, committee members of NLTODA (Nottingham Licensed Taxi Owners Drivers Association) have met to enquire as to the delay in your report submission to the Licensing Committee.

We have decided to provide additional information in our application for a <u>Hackney Carriage (HC) Fare Increase-2003</u> and the New HC Fare Proposal is kept to a minimum as far as is possible, all increases are within the range of 3.00% to 6.00% and although, there are some increases above the rate of Inflation (3.00%); But, the Taxi Trade has seen many increases in the last 12 months, since the last fare rise, many of which have been excess of the rate of inflation and sometimes, many of the increases have been many times the rate of inflation:

- 1. New Cab Prices, on average, up by approx. 5 %;
- 2. Fuel up by approx. 10 %; Previously 70p per litre, Currently 76p per litre;
- 3. Cost of Parts up by approx. 7%;
- 4. Cost of Servicing up by approx. 10%;
- 5. Nottingham Rail Station permits up by approx. 7%;
- 6. MOT fee at Eastcroft up by approx. 20%;
- 7. Taxi Insurance up by approx. 10%;

As can be seen, all the costs affecting the Nottingham Hackney Carriage Taxi Trade, are above the rate of inflation and the Taxi Trade of Nottingham know this, but at NLTODA we have decided to absorb the costs and therefore we have requested a minimal fare increase, which is closely related to the rate of inflation.

I await your earliest reply and please do not hesitate to contact me for any further information. Thanking you in anticipation.

Regards,

Mr Mahfuz Hussain - Treasurer of NLTODA

Cc. Mr Rehmat Khan (Chairperson NLTODA) & Mr Basheer Latif (Secretary NLTODA)