

REPORT OF CORPORATE DIRECTOR OF COMMUNITY AND CULTURE

Hackney Carriage Tariff Increase Request

1 SUMMARY

Members are asked to consider a request for an increase in the maximum fares charged for journeys taken by hackney carriages.

2 RECOMMENDATIONS

It is recommended that the Committee:-

- (a) approve the request to increase the hackney carriage tariff;
- (b) approve that the increase be effective from 6.00am on Monday 31 March 2008, subject to any objections being received;
- (c) approve that the Corporate Director of Community and Culture, in consultation with the Chair, Vice-Chair and an opposition spokesperson, consider any objections received to the compulsory advertising of the intention to increase the existing tariff and to determine, in the light of any objections received, whether the proposed increase is to be approved or amended.

3 BACKGROUND

Hackney carriages may only charge a maximum fare for a journey within the City boundary that has been set by this Council, whilst the fare displayed must be that set by the Council, a driver may offer a discount of that fare if they so wish. The last increase in hackney carriage fares was in May 2006. Although the increase detailed in this report is above the current rate of inflation it is supported by Officers as there have been increases in vehicle running costs. The legal procedure of advertising any intention to increase fares and considering any objection will still be required, and the proposal to refer any objections to the Chair, Vice-Chair and Opposition spokesperson, as was followed in 2006, is proposed to be repeated.

Delegated power was granted to the Team Leader of Taxi Licensing to approve tariff increases within certain constraints. This request is outside of the delegated authority which allows the Team Leader of Taxi Licensing to determine fare increases of 3% or below.

4 PROPOSALS

A full breakdown of the proposed hackney carriage tariff increase is attached at Appendix 1. If a tariff increase is agreed then the hackney carriages meters will all be checked by Officers from the Taxi Licensing Section and/or Eastcroft Depot.

5 FINANCIAL IMPLICATIONS

The report considers fares charged by the Hackney Carriage trade to customers using their services, which have no direct financial impact on the City Council.

Costs to the City Council Taxi Licensing Section will include the advertising of the proposal in a local newspaper, printing of the tariff cards for placing in hackney carriages and the required road markings to enable Officers from the Taxi Licensing Section and Eastcroft Depot to check the accuracy of the Taximeters. These costs can be met from the existing budget.

6 LEGAL IMPLICATIONS

These are mainly procedural and have been addressed in the body of the report.

7 EQUALITY AND DIVERSITY IMPLICATIONS

None.

8 RISK MANAGEMENT ISSUES

When checking the accuracy of the meters Officers will:-

- (a) wear high visibility vests to ensure that they can be seen at all times;
- (b) take a break of at least ten minutes within a sixty minute period in addition to lunch breaks;
- (c) take shelter from inclement weather conditions.

9 CONSULTATIONS

The observations of the private hire association and the hackney carriage trade have been requested. The request for this tariff increase is being made by the hackney carriage trade representatives.

10 STRATEGIC PRIORITIES

An increase in the hackney carriage tariff will enable hackney carriage proprietors to maintain vehicles to the high standard required by the Council and will provide a fleet of vehicles which will help make Nottingham a more attractive place to visit.

11 CRIME AND DISORDER ACT IMPLICATIONS

Additional income from an increased tariff will offer an opportunity for proprietors to provide security equipment such as CCTV to assist in the tackling of crime.

12 VALUE FOR MONEY

No direct impact on the City Council

13 List of background papers other than published works or those disclosing confidential or exempt information

None

14 Published documents referred to in compiling this report

Taxi and Private Hire Monthly

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13/02/08

FARE INCREASE REQUEST FOR 2008

MAXIMUM RATES OF FARES

6.00am -10.00pm

Current

£1.80

For any distance up to, but not including 201.5 metres

20p for each subsequent 201.5 metres up to 1612 metres

20p for each subsequent 222 metres or part thereof up to 11,380 metres

20p for each subsequent 205 metres or part thereof

20p waiting time for each 54 seconds (**£13.30** per hour)

Proposed

£2.00

For any distance up to, but not including 285 metres

20p for each subsequent 205 metres up to 1719 metres

20p for each subsequent 211 metres up to 11,425 metres

20p for each subsequent 191 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 201.75 metres

20p for each subsequent 201.75 metres up to 1614 metres

20p for each subsequent 193 metres up to 11,457 metres

20p for each subsequent 177 metres

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

Proposed

£2.00

For any distance up to, but not including 201.5 metres

20p for each subsequent 201.5 metres up to 1611 metres

20p for each subsequent 181 metres up to 11,385 metres

20p for each subsequent 165 metres or part thereof

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

Fare and a half

Current	Proposed
8.00pm 24 th Dec – 6.00am 27 th Dec	No change
6.00am 1 st Jan – 6.00am 2 nd Jan	No change

Double rate

Current	Proposed
8.00pm 31 st Dec – 6.00am 1 st Jan	No change

Soiling Charge:*

Current	Proposed
£35.00	£40.00

* 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 =	3.20	3.40	1 mile =	3.40	3.40	6.25	0
2 miles =	4.80	5.20	2 miles =	5.00	5.20	4.16	0
3 miles =	6.20	6.80	3 miles =	6.60	7.00	6.45	2.94
4 miles =	7.60	8.40	4 miles =	8.00	8.80	5.26	4.76
5 miles =	9.00	10.20	5 miles =	9.40	10.60	4.44	3.92
6 miles =	10.60	11.80	6 miles =	11.00	12.40	3.77	5.08
7 miles =	12.00	13.40	7 miles =	12.60	14.20	5.00	5.97
8 miles =	13.60	15.20	8 miles =	14.20	16.20	4.41	6.57
9 miles =	15.20	17.20	9 miles =	16.00	18.00	5.26	4.65
10 miles =	16.60	19.00	10 miles =	17.60	20.00	6.02	5.26

The following statistics are taken from the trade magazine "Private Hire and Taxi Monthly" January 2008. (378 Councils are compared in England, Scotland and Wales)

The national average for a 1 mile fare (daytime) is £3.11	The national average for a 1 mile fare (evening) is £4.17
The national average for a 5 mile fare (daytime) is £9.36	The national average for a 5 mile fare (evening) is £12.39
The national average for a 10 mile fare (daytime) is £17.21	The national average for a 10 mile fare (evening) is £22.75

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

	Unleaded Petrol	Diesel
May 2006	95.7	98.0
Nov 2007	102.8	107.6

City Council	League position*	Last tariff Increase
Birmingham	19	Mar '07
Leicester	61	Jun '07
Sheffield	86	Nov '06
Coventry	100	Jun '06
Derby	128	Apr '06
Nottingham	162	May '06

* The league position is based on the fare charged to travel set distances. The most expensive being at the top of the league table (No 1) and then scaling down to the least expensive.