

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **19 September 2017**

Report of: **Head of Environmental Health**

Subject: **REVIEW OF HACKNEY CARRIAGE FARES**

SUMMARY

Each year the views of the taxi trade are sought in respect of whether they wish the Council to consider an increase to the taxi tariff. The last time the trade indicated they wanted a tariff increase was in 2008, and the matter was considered by the Committee at that time and an increase was granted. In August this year a letter was sent to the taxi trade, which sought their view on whether they wished to have an increase to the taxi tariff. There were 19 individual responses from individual drivers, 12 for no change, 7 requesting a range of changes, which are detailed within the report, the Hackney Carriage and Private Hire Association (HCPHA) had also voted in favour of no tariff increase.

RECOMMENDATION

The Committee is requested to:

- (a) consider the responses from the individuals who responded and the HCPHA in respect of the changes to the tariff;
- (b) consider if a change is appropriate; and
- (c) make a recommendation to the Executive in that respect.

INTRODUCTION

1. Each year the taxi trade is consulted in respect of the level of taxi tariff. The last time the trade indicated they wanted a tariff increase following consultation was in 2008, and the matter was considered by the Committee at that time and an increase was granted.
2. In 2015 the trade did not request a change in the fares but asked for two other changes to the tariff which were both granted. One was for a change to the cost of carrying luggage and the second was for an increase in the fee for fouling a vehicle.
3. In 2016 the taxi Trade via the Association requested an increase in the fee for picking up at Fareham Railway Station and a statement regarding dogs to be removed. These were both implemented.
4. In August this year a letter was sent to the taxi Trade to consult upon the taxi tariff (Appendix A). We received 19 responses of which 7 were requesting a change. A list of responses can be seen as Appendix C.
5. On 15 June 2017 we received an email from Mr Paul Rogerson regarding a vote the Hackney Carriage and Private Hire Association had taken in regard to a tariff increase. The result was that 81 written votes were received with 43 voting for no increase and 38 voting for an increase. (Appendix B)
6. There are currently 212 Hackney Carriage vehicles licensed in the Borough, 154 licensed Hackney Carriage drivers and 75 Dual Licensed Drivers.

INDICES

7. Average Weekly Earnings in real terms (adjusted for consumer price inflation and seasonality), were reset in August 2015 to an index of 100 and have increased 1.1% since that date.

	Real AWE (2015 £)	Real AWE (Index numbers 2015=100)
Aug-15	454	100.0
Sep-15	454	100.1
Oct-15	454	100.1
Nov-15	456	100.4
Dec-15	457	100.6
Jan-16	458	101.0
Feb-16	460	101.4
Mar-16	460	101.4
Apr-16	461	101.6
May-16	460	101.4
Jun-16	461	101.5
Jul-16	460	101.4
Aug-16	461	101.6
Sep-16	461	101.5
Oct-16	461	101.5
Nov-16	461	101.7
Dec-16	459	101.2
Jan-17	458	101.0
Feb-17	457	100.7

Mar-17	457	100.8
Apr-17	458	100.9
May-17	458	101.0
Jun-17	459	101.1

8. Other travel costs still fluctuate although fell in 2016.

2009	240.3	3.44%
2010	255.2	6.20%
2011	274.7	7.64%
2012	284.4	3.53%
2013	296.2	4.15%
2014	305.6	3.17%
2015	325.4	6.48%
2016	334.1	2.67%

9. Consumer price inflation is currently at 2.6%.

10. Members are asked to review the fare comparison spreadsheet (Appendix E) and consider whether to recommend an increase in the tariff. Also included in Appendix E are some example increases in order to further assist members.

RISK ASSESSMENT

11. There are no significant risk considerations in relation to this report

CONCLUSION

12. That members consider the information contained in the report when making their decision regarding the level of Fareham Taxi Tariff.

Background Papers: None

Reference Papers: None

Enquiries: For further information on this report please contact Helen Spires. (Ext 4411)

APPENDIX A	Letter to Trade consulting on Tariff
APPENDIX B	Email from Paul Rogerson re vote of HC&PH Association
APPENDIX C	Responses received plus two letters
APPENDIX D	Current Tariff card
APPENDIX E	Fares Comparison Spreadsheet and examples of increase to tariff

FAREHAM

BOROUGH COUNCIL

«Merge Record #»
«Name»
«Address1»
«Address2»
«Address3»
«Postcode»

Head of Environmental Health
Ian Rickman

Contact: Gemma Knipe

Ext.: 4428

Date: 25 July 2017

Dear Colleague

ANNUAL TARIFF CHANGES

Fareham Borough Council annually contact drivers, owners and operators of Hackney Carriage vehicles to see if they want any changes made to the tariff.

Please indicate on the slip below if you wish any changes to be made. All replies need to be received by the Council by Monday 7 August 2017. Please return the slip to the Licensing Team, Fareham Borough Council, Civic Offices, Civic Way, Fareham, PO16 7AZ. These can be handed into our ground floor reception, or sent in the post.

If we receive requests to change the tariff we add them to the report to the September 2017 Licensing and Regulatory Affairs committee. Any changes agreed by committee will be effective from April 2018.

Yours faithfully



Helen Spires
Licensing Manager

Driver Name:

Would you like to propose any changes: YES
NO

If yes, proposed changes (please continue on separate paper if required):

Signed:

Dated:

From: paul rogerson [redacted]
Sent: 15 June 2017 15:58
To: Spires, Helen <[redacted]>
Cc: Taxi Association <[redacted]>; Michael Doughty
<[redacted]>; Jay Miah <[redacted]>; Cole Hughes
<[redacted]>; Neil Bradley <[redacted]>; Rickman, Ian
<[redacted]>; Bryant, Cllr. Mrs P <[redacted]>
Subject: New Committee and Tariff Increase?

Helen,

On Tuesday the 13th June 2017 we had a meeting of the Fareham Hackney Carriage and Private Hire Association and selected a new Committee.

1. The out going Chairperson Michael Doughty is being replaced by Jay Miah.
The out going Vice Chairperson being myself Paul Rogerson is being replaced by Cole Hughes.
The out going Secretary Mel Chorlton is being replaced by Niel Bradley.

The out going committee is not being forced out we have just decided that others should be involved. I have copied this Email to all the new committee so that you have all their Email addresses.

2. At the same meeting we discussed whether the trade wanted a tariff increase or not. We had already completed a paper vote and 81 had replied. 43 voted for No Increase and 38 voted for an increase. The meeting voted to accept the conclusion of the paper vote. Therefore the Fareham Hackney Carriage and Private Hire Association is NOT asking for a Tariff Increase this year.

The out going committee would like to thank you and your team for all the assistance we have received throughout the years and we hope the new committee can look forward to your help in the future.

Regards,

Paul Rogerson

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APPENDIX C

There are currently 212 Hackney Carriage vehicles licensed in the Borough, 154 licensed Hackney Carriage drivers and 75 Dual Licensed Drivers.

Of the 229 drivers sent letters we received 19 responses.

12 responses requested no change. None of these had additional comments.

7 responses requested a change

- 2 no proposed change
- A 4% increase to cover insurance, petrol and household costs
- A 10% increase equal to 1% per year since 2008
- 15% increase
- A small increase (2.5% mentioned but not specifically requested) Letter attached from Michael E Bugden
- A small reduction on the distance travelled rather than increasing the pull-off
 - Currently - Pull off £2.20 for 190m and then 20p for each successive 190m.
 - Proposed - Pull off of £2.20 for 170m and then 20p for each successive 170m until 1,700m and then 20p for each successive 190m – Letter attached from Paul Rogerson

The Hackney Carriage and Private Hire Association informed us members had voted to request no change to the tariff.

4th August 2017

Licensing Team
Fareham Borough Council
Civic Offices
Civic Way
Fareham
Hants

PO16 7AZ

Re : Annual Tariff Change

Dear Helen

I would like to request a small increase in the current tariff to take in to account that many of our customers now want to pay for their fare using either a Credit or Debit Card.

As you will be aware current legislation does not allow us to make a charge to the customer if the journey starts and finishes within the Borough as we have to use the metered rate. If on the other hand the journey starts or finishes outside the Borough we can apply a small charge to recoup the merchant costs of providing this facility. This small charge currently averages at around 2.5% on those types of journey.

As widely reported in the news recently the government is bringing in legislation which will make it illegal as from January 2018 for a business to charge different prices for payment by either cash or card.

As Managing Director of Radio Taxis (Fareham) Ltd we have taken Credit/Debit Card payments through the office for at least 10 years. About 2 years ago we started to lease some equipment that allowed 20 vehicles to take in car card payments. The usage by passengers of this facility has increased every month, we are now finding that some passengers are walking down the rank to get in a car that will accept card payments. Our recently installed Autocab App means a customer can track where their taxis is and it also tells the customer that either cash or card payments are accepted. We have therefore taken the decision that ALL Radio Taxis (Fareham) vehicles should be able to accept in car card payments by the end of September 2017. Obviously the driver will have to bear the full cost of providing this facility as from January 2018 so a small increase in the tariff will compensate the owner/driver for providing this facility.

It may be of interest to note that Transport for London (TfL) recently increased the tariff in London on the proviso that ALL Black Cabs (Hackneys) should be able to accept either cash or card payments from passengers. Any small increase in Fareham could perhaps be justified with the Council adopting a similar policy, passengers want the facility to pay by either cash or card these days.

It may be also worth noting that there has been no increase in the Fareham Hackney Tariff since September 2008, I have done some research and it is widely accepted that £100 worth of goods then would now cost £121.80 a 21.8% increase in prices since that time.

Yours faithfully




Michael E Bugden



Fareham





31st July 2017

Helen,

The trade voted narrowly in favour of NO TARIFF INCREASE again this year which means there would have been no increase in the Pull Off or Distance Travelled since 2008 some 9 years ago. I believe this is because of the trades concern with regard to large out of town companies undercutting our prices. However, since that vote there have been considerable discussions in the media about Card Charges and that prices in general might have to rise to compensate traders.

I believe that a small rise in the tariff should now be considered to help Hackney Carriage owners and drivers offset addition expenses.

I personally would prefer a small reduction on the distance travelled rather than increasing the pull off.

Currently – Pull Off of £2.20 for 190m and then
20p for each successive 190m.

My proposal - Pull Off of £2.20 for 170m and then
20p for each successive 170m till 1,700m and then
20p for each successive 190m.

My proposal would give just a 20p increase on any journey over 1,700m (1.06miles) and most customers would not even realise that the tariff had increased.

I suspect that you might of decided to ask surrounding Licensing Authorities how they are dealing with this potential problem. If other authorities decide their Hackney Carriage owners / drivers should absorb these new costs then please remember we have not asked for an increase in over 8 years and no Licensing Authority locally has waited for anywhere near that amount of time.

If you add this letter to any appendix that councillors read then I feel I should state that I am no longer on the Committee of the Fareham Hackney Carriage and Private Hire Association and that these are only my own personal views.

Regards,



Paul Rogerson
Hackney Carriage Owner HC93

FAREHAM

BOROUGH COUNCIL

TAXI FARES (INCLUSIVE OF VAT)

DISTANCE		RATE1
RATE 1: For the first 190 meters or part thereof minimum charge	£2.20	0600–2330 unless stated otherwise
For each succeeding 190 meters or part	20p	
RATE 2: For the first 190 meters or part thereof minimum charge	£3.30	RATE 2
For each succeeding 190 meters or part	30p	2330-0600 unless stated otherwise
RATE 3: For the first 190 meters or part thereof minimum charge	£4.40	1800-midnight on Christmas Eve
For each succeeding 190 meters or part	40p	1800-midnight on New Year's Eve
WAITING TIME		0600-midnight on Boxing Day
RATE 1: For each period of 60 seconds or part	20p	All 24 hours on all other Bank
RATE 2: For each period of 60 seconds or part	30p	Holidays unless specified
RATE 3: For each period of 60 seconds or part	40p	
EXTRA CHARGES		RATE 3
For each person in excess of two	10p	All 24 hours on Christmas Day
Luggage carried outside of the passenger compartment	50p	Midnight-0600 on Boxing Day
This does not include items relating to a disability		Midnight-0600 on New Year's Day
Passengers picked up at Fareham Station	£1.00	surcharge
Assistance dogs must be carried free of charge unless the driver has a current exemption in place not to do so.		
A MAXIMUM CHARGE OF £70 MAY BE MADE AGAINST ANY PERSON FOULING THE VEHICLE OR ALLOWING AN ANIMAL TO FOUL THE VEHICLE		
Complaints should be made to The Licensing Officer, Regulatory Services, Civic Offices, Civic Way, Fareham, Hampshire PO16 7AZ or email: Licensing@fareham.gov.uk		

HACKNEY CARRIAGE NO.

[DMrelatedsys_ eh_ hc_ vehicle/plate_number/vehicle_reference] TO CARRY

[DMrelatedsys_ eh_ hc_ vehicle/carry_limit/vehicle_reference] PERSONS

SEAT BELTS ARE PROVIDED FOR ALL PASSENGERS IN THIS VEHICLE YOU ARE REQUIRED BY LAW TO WEAR THEM

Taxi Tariff Comparison

DISTRICT	NUMBER OF MILES	6
SOUTHAMPTON	Pull off £2.80 for first 110 metres 20p each 110 metres thereafter until distance travelled of 330 metres 20p each 195 thereafter	£ 12.76
PORTSMOUTH	Pull off £2.20 for the first 274 metres (or 51.43 seconds) 20p each 182.88 metres until fare reaches £12.60 20p each 141.73 metres thereafter	12.46
GOSPORT	Pull off £2.20 for first 199 metres 20p each 178 metres thereafter	12.80
FAREHAM (EXISTING)	Pull off £2.20 for first 190 metres 20p each 190 metres thereafter	12.20

Examples of effect of different increases to tariff

	NUMBER OF MILES 6	£
FAREHAM EXISTING	Pull off £2.20 for first 190 metres 20p each 190 metres thereafter	12.16
FAREHAM EXISTING +5%	Pull off £2.31 for the first 190 metres 21p each 190 metres thereafter	12.77
FAREHAM EXISTING +10%	Pull off £2.42 for first 190 metres 22p each 190 metres thereafter	13.38
FAREHAM EXISTING +15%	Pull off £2.53 for the first 190 metres 23p each 190 metres thereafter	13.98

NB The percentage increase in fare decreases as the journey length increases.