

FAREHAM

BOROUGH COUNCIL

Report to Licensing and Regulatory Affairs Committee

Date **20 January 2015**

Report of: **Director of Community**

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 July this year a newsletter was sent to the taxi trade, which sought their view on whether they wished to have an increase to the taxi tariff. There were 4 individual responses from the trade that indicated that they wanted the tariff increased. This Committee considered this matter at its meeting on 18 November 2014; however, clarification was requested in respect of the law regarding additional charges in respect of credit / debit cards. This clarification is provided within this report

RECOMMENDATION

The Committee is requested to consider the responses from the trade in respect of the level of tariff and consider if an increase is appropriate and make a recommendation to the Executive in respect of the level of taxi tariff.

INTRODUCTION

1. Each year the taxi trade are 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 July this year a newsletter was sent to the taxi trade (this can be seen as Appendix A) to consult upon the taxi tariff. There were 4 individual responses from the trade that indicated that they wanted the tariff increased; these responses can be seen as Appendix B. Response 2 represents 75 licensed vehicles.
3. One of the responses raises the issue of charges for credit card payments, as the payment provider passes on a charge to the driver/vehicle owner in each case. The charges may vary from provider to provider. Legally the payment recipient cannot charge an additional fee higher than that charged to them. Some drivers add this charge to their fare, although strictly speaking this isn't currently allowed as it is not covered by the tariff. Members may wish to consider this matter also at this time, should they wish to amend the tariff.
4. There are currently 224 Hackney Carriage vehicles licensed in the Borough, 185 licensed Hackney Carriage drivers and 77 Dual Licensed Drivers.
5. This Committee considered this matter at its meeting on 18 November 2014; however, Members requested further clarification in relation to the law regarding additional charges in respect of credit / debit cards.

CLARIFICATION

6. The Consumer Rights (Payment Surcharge) Regulations 2012 apply to both Credit and Debit card payments. The Regulations prohibit traders from imposing payment surcharges on consumers where the surcharge exceeds the cost to the trader of using the relevant payment method. Therefore any additional charge would vary between payment merchants.
7. In respect of Taxi legislation a driver may only make charges in line with what is stated on the tariff card, therefore if no provision for card payments is stated they cannot legally make those additional charges.

INDICES

8. Since the last tariff increase in September 2008, average earnings have remained fairly static, whilst motoring and other travel costs have increased significantly. Inflation is currently around 1.2% and has varied between 1% and 4% year on year since 2008

RECOMMENDATION

9. Members are asked to review the fares comparison spread sheet (Appendix C) and consider whether to recommend an increase in the tariff. Also included in Appendix C are some example increases in order to further assist members.

CONCLUSION

10. 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 Ian Rickman (Ext 2401).

APPENDIX A – [Taxi Trade Newsletter July 2014](#)

APPENDIX B – [Responses from Trade to Newsletter](#)

APPENDIX C – [Fares Comparison Spread sheet and examples of Increase to tariff](#)