# LICENSING COMMITTEE - 9 SEPTEMBER 2008

# **INCREASE IN MAXIMUM FARES FOR HACKNEY CARRIAGES**

Report of the: Community and Planning Services Director

Status: For Decision

**Executive Summary:** This report presents proposals for increases to the hackney carriage maximum fares.

This report supports the Key Aim of safe communities and effective management of Council Resources.

Portfolio Holder	Cllr. K. Loney
Head of Service	Head of Environmental and Operational Services – Mr. Richard Wilson

Recommendation: It be RESOLVED that:

The maximum fares for hackney carriage vehicles be varied as follows:-

## HACKNEY CARRIAGE MAXIMUM FARES

DISTANCE	POUNDS	PENCE		
Charge for the first 1,287.2 metres approx (8/10 mile)				
or part thereof	3	50		
Then for each additional 160.9 metres approx (1/10 mile)	0	21		
WAITING TIME (STANDARD RATE)				
For each period of 1 minute		35		
WAITING TIME (WITH INDICATED EXTRA CHARGES)				
APPLIED AS BELOW: for each period of 1 minute	(ii)	50		
	(iii)	50		
	(iv)	65		

## **EXTRA CHARGES**

(i)	Additional Passengers	
	For each person in excess of four persons	25% of prescribed fare
(ii)	For hiring begun between 11pm and 7am	
	(except all Bank & Public Holidays)	£1.80 per fare
(iii)	For hiring on Public & Bank Holidays	
	(other than Christmas & New Year holidays)	£2.00 per fare
(iv)	For hiring on Christmas & New Year Holidays	
	(commencing 6pm on Christmas Eve to 6am 27 December and 6pm New Year's Eve to 6am 2 January)	100% of prescribed fare
(v)	For carriage of pets	
	(other than dogs for registered disabled people)	£3.00 per fare

## Background

- 1 Although there are requests for a rise in the permitted fares for hackney carriages they come from two different sources, are backed in total by approximately one hundred drivers and are completely different in what is required by the drivers. In fact some drivers have shown support for both requests tending to indicate an uncertainty as to their wishes.
- 2 The requests for a rise come, in the main, as a result of the increases to fuel costs that have occurred since Members agreed the last rise in the maximum fares in January 2006. Other factors that the drivers have put forward are that the cost of living to drivers has also increased in the last twelve months, as have motor vehicle insurance and vehicle excise duty as well as maintenance costs. In addition since the last rise in the maximum fares hackney carriage and private hire licence fees have been increased twice.
- 3 For the information of Members the existing maximum permitted fares, the first request for change and the second request for change are set out as Appendix A, B and C to this report respectively.
- The first request for change (Appendix B) is for an additional 50pence for the first 1,287.2 metres (8/10ths of a mile) shown at (a) DISTANCE on the recommendation so that £3.50 would be showing on the meter before the journey begins, and that at (d) EXTRA CHARGES (ii) that the additional £1.50 per fare at present applicable only between the hours of 11pm and 7am should also apply to the period from 7pm on a Friday to 7am on a Monday. If the requested changes were approved for this request then the cost of the

first mile of a journey will rise from  $\pounds$ 3.42 to  $\pounds$ 3.92 with the cost of the second and subsequent miles remaining at  $\pounds$ 2.10

- 5 It is felt that the changes requested at Appendix B reflect the fact that the maximum fares have not been increased during three working years and would be appropriate as they enter a fourth working year, bearing in mind the drivers reasons for a rise. In addition it is also felt that the additional compensation requested for working at weekends would be an added incentive for more drivers to work at a time when taxis are required by the public and are generally not so available although this would mean an automatic increase of £1.50 on every fare which may not be acceptable to the public.
- 6 The present fares puts the Council at forty fourth in a national table supplied by a magazine at the time this report was written, which is behind Tunbridge Wells, Dartford, Maidstone and Tonbridge & Malling Borough Councils in a calculation of the cost of a two mile journey. This first requested fare increase, if approved, would mean the cost of a two mile journey would be increased to £6.02 from £5.52, which would then put the Council seventh in the national table, exactly where it was when the last fare increase was agreed in 2006 and behind only Tunbridge Wells who are at present fifth in the table with a two mile journey costing £6.20 in that Council District.
- 7 The changes requested at Appendix C, the second request for change, at (a) DISTANCE, would reduce the distance a vehicle travels, by one tenth of a mile, before the additional charge for the second and subsequent 1/10<sup>ths</sup> of a mile begin and at the same time add 20 pence to that first element so that £3.20 is shown on the meter before the journey begins. In total this request, if approved, would mean the cost of a two mile journey would be increased to £5.93 from the existing £5.52.
- 8 Other changes requested at Appendix C are for a five pence increase in all aspects of waiting time, except for (iii) for which no change is indicated, and in relation to the Extra Charges that an additional 30 pence is added for hiring begun between 11pm and 7am, a reduction of 20 pence is made to hiring on Public Holidays and that the carriage of pets is increased by £1.00.
- 9 It is felt that the changes requested at Appendix C, within the DISTANCE section of the fares, although probably taking into account what has occurred cost wise over the last three working years, does not take into account the ensuing year and does not quite maintain a fare structure which is comparable, or will be comparable in the future, with adjoining Districts. The request for increases to the waiting time elements of the fares and also for the extra charge between 11pm and 7am, again is an added incentive for drivers to work, especially the latter, when the public requires taxis.
- 10 Both requests for fare rises, as to what is required, have merit and it is for that reason and the information in previous paragraphs of this report that it is felt an adjusted combination of what is required by the drivers should be recommended for consideration by Members and the recommendation of this report reflects this.

11 Once again it is brought to the attention of Members that the fares agreed by them are maximum ones and a lower fare can be charged if the driver wishes to do so. Those drivers who have requested a lower fare structure in relation to the distance travelled have therefore an option of reducing their fares if they wish. Some of the drivers within the Sevenoaks area have in the past offered a lower fare than the maximum one to passengers and the drivers of the Swanley area do not always apply a maximum fare as a matter of course.

## Consultation

12 The persons who have submitted the requests for a fare rise have consulted with drivers both at Sevenoaks and Swanley.

## Key Implications

13 The need for the public to make more use of public transport should not be affected by the recommended fare rise which will be the first for nearly three years.

#### **Risk Assessment Statement**

14 All drivers may not be in agreement to the recommended changes to the maximum fares which may result in objection and further consideration by Members.

Sources of Information:	Licensing Committee minutes 23/01/2006
	Local Government (Miscellaneous) Provisions Act 1976.
	Taxi Licensing Policy
	Private Hire & Taxi Monthly Magazine
Contact Officer(s):	John Riches (01959 567373)

# KRISTEN PATERSON COMMUNITY AND PLANNING SERVICES DIRECTOR