

# Southend-on-Sea Borough Council

**DRAFT**

Report of Director of Technical & Environmental Services

to

**Licensing Committee**

on

**8<sup>th</sup> October 2004**

Report prepared by: Colin Gabell and Allan Evans

**Agenda  
Item No.**

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## **Review of Hackney Carriage Fares**

**Environmental Scrutiny Committee – Executive Councillor: Councillor Mrs Holland**

*A Part I Public Agenda Item*

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### **1. Purpose of Report**

- 1.1 Members are invited to consider applications from the Southend Taxi Drivers' Association for an increase in the Hackney Carriage and Private Hire vehicle fares and charges and other associated amendments.

### **2. Recommendations**

- 2.1 **To approve proposed revisions of the present Hackney Carriage fare and charges structure at the request of Southend Taxi Drivers' Association, as shown at Appendix 1.**
- 2.2 **To approve an average 3.81% increase in fares.**
- 2.3 **To approve the fare chart given at Appendix 3.**
- 2.4 **To give consideration to the proposals to amend the Christmas/New Year charges.**
- 2.5 **That any changes to the fare and extra charges structure be duly advertised.**

### **3. Background**

- 3.1 The last increase in fares was with effect from 17<sup>th</sup> September 2003
- 3.2 The Council is empowered to determine fares for Hackney Carriages. In addition, all those Private Hire vehicles which are equipped with a meter must also apply the same fares. Revision to the fares must be advertised before any revision comes into effect.
- 3.3 On 20<sup>th</sup> July 1993 the Chairman and Members of the Licensing Sub-Committee agreed in principal to a request from the licence trade to review Hackney Carriage and Private Hire vehicle fare tariffs on an annual basis.
- 3.4 It has also been resolved that an annual review take place, to be implemented before Christmas each year. If no proposal is made by the Association by the end of August each year, the fare should remain unchanged until the following autumn.
- 3.5 On 16<sup>th</sup> August 2001, at their annual fare meeting, the Licensing Committee considered proposals for increases and amendments in the Hackney Carriage fares and extra charges tariff; the adoption of the 'Pickup' Formula inflation based annual review linked to the Retail Price Index for both fares and extra charges, and the introduction of a soiling charge.

- 3.6 Having considered the matter in detail, Members resolved:
- 3.6.1 That the proposed revision of the present fare structure be adopted.
- 3.6.2 That the following formula for dealing with increases in fares and the extra charges tariff in future years be approved:
- Motoring Retail Price Index percentage figure rounded up to the nearest whole number plus 1%, to be rounded up or down over future years (to be known as the 'Pickup' Formula). For 'extras' the formula would be used, but increases held until a whole unit figure was reached.
- 3.7 The formula agreed was negotiated after Members' requests for an inflation based formula which could be used year on year. It is based on the nearest published Retail Price Index which reflects most closely expenses incurred by the Taxi Trade. The Motoring Price Index is therefore used as a base for both fare and tariff increases. However, this Index reflects the cost of private motoring rather than cost incurred by full time taxis and so the figure quoted by Government is rounded up and 1% is added to reflect this anomaly. This calculation is the 'Pickup' Formula.
- 3.8 For fares, the Pickup Formula is to be applied each year by a reduction in mileage which most closely reflects the Pickup percentage in the fare charged. For tariffs, the Pickup percentage is applied, but not activated until a whole unit figure is reached by year on year increases (eg 5p for extras such as luggage, or 10p for the Night Charge).
- 3.9 On 31st August 2004, the Southend Taxi Drivers' Association wrote to the Council and requested fare increases giving three options, Options A, B and C. Following discussions with officers from the Council and representatives of the Association, it was decided that Option A should be presented to Members for consideration. This letter is shown at **Appendix 4**.
- 3.10 The Retail Price Motoring Index for June 2004 indicates a 1.2% increase. Using the Pickup Formula, this would indicate a 3% increase in fares (1.2% rounded to 2% + 1% = 3%). For the extras, a 3% increase represents a total of 2.78p since the Formula was introduced (activated when the figure reaches 5p). Therefore, under the Pickup Formula, no increase is due.
- 3.11 However, at the 2002 fare meeting the Committee pointed out that as fares had been adjusted upwards slightly above inflation on the last two occasions that consideration be given to equalizing the increase in 2003. With this in mind, in 2003 the Association applied for a 3% increase, as opposed to the 4% shown under the Pickup Formula to address this consideration. This was agreed.
- 3.12 Night Charge/Unsocial Hours. Members may be aware that in 2003 a working group gave consideration to crime and disorder problems in the Town late at night. Concern was expressed at the lack of taxi availability when nightclubs in the Town close. Whilst it was identified that this is linked to the violence that drivers may experience late at night, to encourage more drivers to work at this time, it was proposed that between 9pm and midnight the night charge would be £1 and from midnight to 4am, the charge would be increased to £2.80 to take into account the above problem. From 4am to 6am, the charge would revert to £1. It was agreed that the effectiveness of this night charge would be monitored and measured by the increase in the availability of taxis and hire cars between midnight and 4am. A brief study showing this availability before and after last year's fare change is shown at **Appendix 5**. Southend Police have expressed their desire that the night charge should remain, as they believe that it has indeed led to an increase in the availability of vehicles to the public. The trade would also wish the charge to remain, but with a variation for Christmas and New Year.
- 3.13 The Association has proposed that for the Christmas and New Year periods the fare should be double the relevant time of day or night rate, but not to include the increase to £2.80 between midnight and 4am for these periods. There will be no extras, with the other relevant times remaining the same. Currently Christmas and New Year charges are double the relevant day or night rate from midnight on 24<sup>th</sup> December until 6am on 27<sup>th</sup> December and midnight on 31<sup>st</sup> December until 6am on 1<sup>st</sup> January with no extras payable by the customer.

3.14 Taking all the above into account, **Appendices 1, 2 and 3** show the current and proposed changes and Fare Charts respectively.

#### **4. Proposals**

4.1 It is recommended that Members accept the fare increases and first charge increase proposed at Recommendations 2.1, 2.2 and 2.3.

4.2 It is felt that the proposed arrangements for Christmas and the New Year are matters for Members' consideration (Recommendation 2.4).

4.3 Members are asked to consider these proposals and that notice of any variation approved be published in the requisite manner as at Recommendation 2.5.

#### **5. Background Papers**

5.1 Letter from Southend Taxi Drivers' Association.

#### **6. Appendices**

6.1 **Appendix 1** - Details of proposed fare increase.

6.2 **Appendix 2** - Current fare chart.

6.3 **Appendix 3** - Proposed fare chart.

6.4 **Appendix 4** - Letter from the Association.

6.5 **Appendix 5** - Results of study into vehicle availability.

## Appendix 1

It is proposed that the yardage for after ½ mile would be dropped from 277.42 yards to 269.10 yards.

This would show a difference as illustrated in the table below:

	Current Tariff	Proposal	Increase	% Increase
First Charge	£2.20	£2.30	10p	4.55
1 Mile	£2.80	£2.90	10p	3.57
2 Miles	£4.00	£4.10	10p	2.50
3 Miles	£5.20	£5.50	30p	5.77
4 Miles	£6.60	£6.90	30p	4.55
5 Miles	£8.20	£8.50	30p	3.66
6 Miles	£10.00	£10.30	30p	3.00
7 Miles	£11.60	£12.10	50p	4.31
8 Miles	£13.40	£13.90	50p	3.73
9 Miles	£15.00	£15.50	50p	3.33
10 Miles	£16.80	£17.30	50p	2.98

The first tariff now runs until £6.80 is shown on the meter, which is 6983.24 yards. On the proposed fare increase, the first tariff would last until £6.90 is shown on the meter at 6800.2 yards.

The average increase of these fare proposals is 3.81% over 10 miles which most closely reflects the Pickup Formula calculation of 3%.

June Retail Price Index annual increase for Motoring costs is 1.2%.

**It is proposed that there should be no increase in the extras charge this year in accordance with the Pickup Formula (Retail Price Index Motoring cost rounded up + 1%) until 35p is reached. This formula currently registers 32.78p for extras.**

It is proposed that the Christmas/New Year Charges will be double the relevant day/night rate with no extras but not continue with the £2.80 charge after midnight on 24 December to 4am on 27 December and from midnight on 31 December to 4am on 1 January.

Taxi/Proposed Fare Increase 2004

**SOUTHEND**



**COUNCIL**

**Authorised Fares**

**September 2003**

<b>£2.20</b>	For the first ½ mile or the first 3 minutes 10 seconds (or a combination of parts of such distance or time)
<b>20p</b>	For each additional 277.42 yards or 60 seconds (or a combination of parts of such distance or time) until a fare of £6.80 is shown on the taxi meter
<b>20p</b>	For each additional 208.09 yards or 45 seconds (or a combination of parts of such distance or time) when a fare of £6.80 is shown on the taxi meter

**NIGHT CHARGE/UNSOCIAL HOURS**

For hirings begun between 9pm and midnight and 4am and 6am, also on Sundays and Bank Holidays between 6am and midnight, except during Christmas and New Year periods, also between 6am and midnight on 1 January and 4am until 6am on 2 January, an additional:

**£1.00**

For hirings from midnight until 4am, an additional:

**£2.80**

**CHRISTMAS/NEW YEAR CHARGES**

For hirings from midnight 24 December to 6am 27 December and midnight 31 December to 6am 1 January

**Double the relevant day or night rate  
(No Extras to be charged)**

**Extra Charges**

**1. LUGGAGE**

For any luggage carried. No charge for disabled persons wheelchairs or any animal carried

**30p  
(Max Charge)**

**2. ADDITIONAL PASSENGERS**

For each person in excess of one

**30p**

Specific requests for the delivery of property left in taxis must be paid for at the metered fare

**SOILING CHARGE**

A reasonable charge may be levied for restoration costs should you soil or damage this vehicle. The proprietor reserves the right to take civil action where necessary.

**ANY COMPLAINTS SHOULD BE MADE TO THE DEPARTMENT OF  
TECHNICAL AND ENVIRONMENTAL SERVICES, CIVIC CENTRE,  
VICTORIA AVENUE, SOUTHEND ON SEA, ESSEX SS2 6ER  
THE NUMBER OF THE CAB OR DRIVER SHOULD BE QUOTED**

**SOUTHEND**



**COUNCIL**

**Authorised Fares**

**October 2004**

<b>£2.30</b>	For the first ½ mile or the first 3 minutes 16 seconds (or a combination of parts of such distance or time)
<b>20p</b>	For each additional 269.1 yards or 60 seconds (or a combination of parts of such distance or time) until a fare of £6.90 is shown on the taxi meter
<b>20p</b>	For each additional 201.85 yards or 45 seconds (or a combination of parts of such distance or time) when a fare of £6.90 is shown on the taxi meter

**NIGHT CHARGE/UNSOCIAL HOURS**

For hirings begun between 9pm and midnight and 4am and 6am, also on Sundays and Bank Holidays between 6am and midnight, except during Christmas and New Year periods, also between 6am and midnight on 1 January and 4am until 6am on 2 January, an additional: **£1.00**

For hirings from midnight until 4am, except during Christmas and New Year periods, an additional: **£2.80**

**CHRISTMAS/NEW YEAR CHARGES**

For hirings from midnight 24 December to 6am 27 December and midnight 31 December to 6am 1 January **Double the relevant day or night rate (No Extras to be charged)**

**Extra Charges**

1. **LUGGAGE**  
For any luggage carried. No charge for disabled persons wheelchairs or any animal carried **30p (Max Charge)**
2. **ADDITIONAL PASSENGERS**  
For each person in excess of one **30p**

Specific requests for the delivery of property left in taxis must be paid for at the metered fare

**SOILING CHARGE**

A reasonable charge may be levied for restoration costs should you soil or damage this vehicle. The proprietor reserves the right to take civil action where necessary.

**ANY COMPLAINTS SHOULD BE MADE TO THE DEPARTMENT OF TECHNICAL AND ENVIRONMENTAL SERVICES, CIVIC CENTRE, VICTORIA AVENUE, SOUTHEND ON SEA, ESSEX SS2 6ER**  
*THE NUMBER OF THE CAB OR DRIVER SHOULD BE QUOTED*

## **Appendix 4**

(Letters to and from the Association see PDF File DTES04152 Appendix 4)

## Appendix 5

### RESULTS OF STUDY INTO VEHICLE AVAILABILITY

#### SOUTHEND RADIO CARS

Fri	12 <sup>th</sup> September	9 – 12	35
		12 - 4	24
Sat	13 <sup>th</sup> September	9 – 12	36
		12 – 4	30
Fri	19 <sup>th</sup> September	9 – 12	40
		12 – 4	32
Sat	20 <sup>th</sup> September	9 – 12	36
		12 – 4	30

#### AC RADIO CABS

Fri	5 <sup>th</sup> September	Midnight	105
Sat	6 <sup>th</sup>	1am	100
		2am	90
		3am	60
Sat	6 <sup>th</sup> September	Midnight	100
Sun	7 <sup>th</sup>	1am	100
		2am	85
		3am	60
Fri	12 <sup>th</sup> September	Midnight	110
Sat	13 <sup>th</sup>	1am	105
		2am	90
		3am	65
Sat	13 <sup>th</sup> September	Midnight	105
Sun	14 <sup>th</sup>	1am	95
		2am	75
		3am	60
Fri	19 <sup>th</sup> September	Midnight	110
Sat	20 <sup>th</sup>	1am	100
		2am	95
		3am	70
Sat	20 <sup>th</sup> September	Midnight	100
Sun	21 <sup>st</sup>	1am	95
		2am	80
		3am	75



## ANDREWS

Fri	12 <sup>th</sup> September	12 – 4	38
Sat	13 <sup>th</sup> September	12 – 4	38
Fri	19 <sup>th</sup> September	12 – 4	42
Sat	20 <sup>th</sup> September	12 – 4	29
Fri	26 <sup>th</sup> September	12 – 4	35
Sat	27 <sup>th</sup> September	12 – 4	32