

Plymouth City Council

Subject:	Proposal for a Hackney Carriage Table of Fares Increase
Committee	Taxi Licensing Committee
Date:	13 July 2017
Cabinet Member:	Councillor Riley
CMT Member:	Ruth Harrell (Director of Public Health)
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Ref:	GHO/Tariff/2017
Key Decision:	No
Part:	I

Executive Summary

Under Section 23 of the Plymouth City Council Act 1975. Plymouth City Council (the Council) has the power, although not obliged, to set the maximum table of fares (Fares Tariff) for Taxis.

There have been discussions between officers and members of the Plymouth Licensed Taxi Association (PLTA) concerning proposals put forward by the PLTA for an increase in the Hackney Carriage Fares Tariff. This report outlines the proposed changes to the Tariff.

The Committee is asked whether or not to recommend the proposed variation of the fares for the hiring of Hackney Carriages within the City. In accordance with the Plymouth City Council Act 1975, any variations will need to be advertised and an opportunity given for objections to be made. Any objections must be duly considered, prior to coming into effect.

The Corporate Plan 2016 – 2019

This report links to the delivery of the City and Council priorities.

In particular:

Growing Plymouth: By economic prosperity through an efficient public transport network.

Caring Plymouth: Providing consumer confidence.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

If the proposed Tariff change is agreed, there will be a cost to the Council in terms of giving public notice and printing new Fares Tariff cards, which would be met from the existing Hackney Carriage budget.

Additional costs of printing and signage at the Taxi ranks will also be met from the Hackney Carriage trade account

Vehicle proprietors would also need to have their meters re-Tariffed, which would carry a cost payable directly by them to a calibration company.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management:

Section 17 of the Crime and Disorder Act 1998 puts a statutory duty on every Local Authority to exercise its various functions with due regard to the need to do all that it reasonably can do to prevent crime and disorder in its area.

Any increase in the Hackney Carriage Fares Tariff, may have an impact on the lowest income group using Hackney Carriage services, but this should be considered against the need for a Hackney Carriage proprietor or driver to be able to earn a living wage and allow for investment in replacement vehicles from the provision of those services.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action:

It is recommended that Members consider the information contained in this report and

1. Approve, or amend if necessary, the Hackney Carriage Table of Fares in Appendix 2 to this report, as proposed by officers, for the reasons given in this report.
2. That Members resolve to authorise the advertising of the Table of Fares agreed in recommendation 1 as required by the Plymouth City Council Act 1975, and to allow the Table of Fares to come into effect four weeks after the period allowed for objections should no objections be received.

Alternative options considered and rejected:

Not to approve a fare increase – There has been no Fares Tariff increase since 2011. Given the increase in the cost of living an increase at this time is reasonable.

Increase more than requested – The trade must balance any increase with any negative affect on Hackney Carriage usage by the public. Additionally any increase will affect low income earners as they form a significant user of Hackney Carriages.

Published work / information:

None.

Background papers:

None.

Sign off:

Fin	pl1718.55	Leg	28394/ag /20.6.17	Mon Off		HR		Assets		IT		Strat Proc	
Originating SMT Member													
Has the Cabinet Member(s) agreed the contents of the report?													

Report

1. The common term for Hackney Carriages is Taxis and this term is used in the report. A customer can flag down a Taxi in the street or at Taxi ranks without booking unlike private hire vehicles which must always be booked in advance of the journey.
2. Under section 23 (1) of the Plymouth City Council Act 1975 (PCCA 1975), the Council is responsible for setting the maximum fares and other costs that drivers may charge a customer for using Taxis in the City.

Members should note that drivers may charge a lower fare or offer a discount if they wish and negotiate fares for travel outside of the City boundaries.

The Council does not have powers to set fares for journeys in private hire vehicles.

3. The Fares Tariff should be set to enable:
 - Sustainable income for drivers
 - Future investment in vehicles
 - Clearly set rates that minimise the opportunity for over charging or confusion
4. A table of fares has to be displayed within all Taxis to allow passengers to calculate the approximate cost of their journey.
5. Section 23 of the PCCA 1975 prescribes the process for advertising and bringing into effect the table of fares after a fourteen day period permitted for the receipt of objections.
6. The PCCA 1975 also requires Taximeters to be fitted in every licensed vehicle. Once set, all drivers must display the maximum fare on their Taximeter. This ensures consistency across all Taxis and provides public confidence, which assists in meeting the growing and caring Plymouth corporate priorities.

Reason for Change

7. The Fares Tariff was last reviewed in September 2011 and since then has remained at the present level. Like many other business sectors, the Taxi trade is facing financial pressures in the current economic climate. Since the last review and particularly over the last 3 years the Retail Price Index (RPI), which represents the change in the cost of living, has steadily risen.
8. The Taxi trade, represented through the Plymouth Licensed Taxi Association (PLTA) at the quarterly liaison meeting with Council Taxi Licensing Officers requested that the maximum permitted fares chargeable by Taxis in Plymouth be varied and increased to take account of cost of living changes. The proposed variations are set out in the following sections.

Proposed Tariff Changes

9. The existing Table of Fares is set out in Appendix 1.
 10. The PLTA suggested Table of Fares is set out in Appendix 2 and the proposed changes are summarised below.
- Consolidation of Fare Tariffs and reduction in number from 6 to 5.

The PLTA suggest removing Tariff 4 which applies on Sundays and Bank Holidays from midnight to 6 am. The day will remain divided into 3 bands further broken down by different days of the week, however would be consolidated over 5 Tariffs.

The suggested changes to the Tariff can be more easily understood in the following table where numbers 1-5 relate to Tariffs 1-5 respectively:

Table 1, Tariffs and Time Periods

Period	7am - 7pm	7pm - Midnight	Midnight – 7am
Weekdays (Mon-Sat)	1	2	3
Sunday	2	3	3
Bank Holidays	2	3	4
Christmas Eve	1	4	4
Christmas Day	5	5	5
Boxing Day	4	4	4
3 1st December	1	4	5
1st January	4	4	4

- Change of unit of distance measurement from yards to fraction of a mile

The suggested move from yardage to fraction of a mile will alter the respective distances that the Fares Tariff charges relate to, however this will allow passengers to more easily understand the distance travelled and calculate the approximate cost of their journey.

- Reduction of threshold of the fuel surcharge

The PLTA have requested that the fuel surcharge is to be added when fuel (Diesel) reaches £1.30 per litre at Exeter Street Service Station, currently set at £1.40. The additional 10 pence charge for each subsequent increase of 10 pence per litre will remain unchanged.

Members may consider whether the surcharge is likely to come into effect too soon given the frequent increase in fuel rises and therefore may wish to consider whether the existing higher fuel price should be retained. The price of fuel (Diesel) as of the 7th June 2017 at Exeter Street Service Station was 113.7p per litre.

11. There are no proposed changes for the following extra charges:

- Additional passengers (after the second)
- Entrance to MOD establishments, booking fee or from Plymouth Railway Station
- For each uncaged animal (except service dogs), and for any soiling of the vehicle, inside or out.
- Out of City charges.

Comparison with the National Average and Other Devon Authorities

12. In terms of the national context, as at June 2017, Plymouth was ranked 187 out of some 366 local authorities which regulate Taxi fares (Source Private Hire and Taxi Monthly – June 2017).

13. When comparing the cost to travel 2 miles for Fares Tariff 1 with the national average and other Devon authorities who regulate Taxi fares it can be seen that Plymouth, at £5.70 is slightly under the national average of £5.74 and that with Mid Devon, has the lowest fares in the County currently £0.49 under the Devon average as shown in Table 2 below:

Table 2, Comparison of costs to travel 2 miles on Fares Tariff 1

Devon Authority	Ranking	£ 2 mile (Tariff 1)	Proposed
Exeter C C	1	6.60	-
North Devon D C	2	6.55	-
Torbay	3	6.39	-
East Devon D C	4	6.30	-
Torrige	5	6.25	-
Teignbridge B C	6	6.20	-
South Hams D C	7	6.00	-
Mid Devon D C	8	5.70	-
Plymouth C C	9	5.70	6.00
Current Devon Average	-	6.19	-
National Average	-	5.74	-

14. Table 3 below shows the effect of the proposed rate increases on current Plymouth Fares for travelling 1 to 5 miles on Fares Tariff 1.

Table 3, Cost and Percentage increase per distance

Distance	Flag Rate (£)	Current (£)	Proposal (£)	% Increase
1 Mile	3.00	4.50	4.50	0
2 Mile	3.00	5.70	6.00	5.26
3 Mile	3.00	7.20	7.50	4.17
4 Mile	3.00	8.40	9.00	7.14
5 Mile	3.00	9.60	10.50	9.38

Conclusion

15. A balance needs to be struck between the legitimate right of the trade to a viable livelihood and the needs of the travelling public. However, like many other business sectors, the Taxi trade is facing financial pressures in the current economic climate and there has been no increase in Taxi fares since September 2011. There are, therefore, arguments to support the proposed fare increase.
16. The proposed Fares Tariff increase put forward would keep fares broadly in line with the national average and other Devon authorities and help to offset the rise in RPI over recent years.
17. The reduction of the number of Fares Tariff from 6 to 5 and the alteration of units of distance measurement from yards to fractions of a mile will provide a simplified more user friendly Table of Fares sheet to allow passengers to more easily calculate the approximate cost of their journey.

Recommendations

It is recommended that Members consider the information contained in this report and

1. Approve, or amend if necessary, the Table of Fares in Appendix 2 to this report, as proposed by officers, for the reasons given in this report.
- 2.. That Members resolve to authorise the advertising of the Table of Fares agreed in Recommendation 1 as required by the Plymouth City Council Act 1975, and to allow the Table of Fares to come into effect four weeks after the period allowed for objections should no objections be received.

Appendix I

Existing Tariff Table

HACKNEY CARRIAGE TABLE OF FARES



Made by virtue of Section 23 of the Plymouth City Council Act 1975

The driver must not refuse, without reasonable excuse, to take a hirer or would be hirer, to any place within the licensing district, Section 53, Town Police Clauses Act 1847.

Tariff One Applies on Monday to Saturday from 6am to 7pm

Tariff Two Applies on Monday to Saturday from 7pm to midnight, and Sundays and Bank Holidays from 6am to 7pm

Tariff Three Applies on Monday to Saturday from midnight to 6am, and Sundays and Bank Holidays from 7pm to midnight.

Tariff Four Applies on Sundays and Bank Holidays from midnight to 6am

Tariff Five Applies from 7pm on Christmas Eve to 6am on 27 December; and from 7pm to midnight on 31 December and from 6am on 1 January to 6am on 2 January.

Tariff Six Applies on New Years Day from midnight to 6am.

Distance	Tariff one	Tariff two	Tariff three	Tariff four	Tariff five	Tariff six
For any distance up to 200 yards	£3.00	£3.50	£4.00	£4.50	£4.50	£6.00
For the next 200 yards or part thereof	30p	30p	30p	30p	45p	60p
For each subsequent 400 yards or part thereof	30p	30p	30p	30p	45p	60p

Waiting time	Tariff one	Tariff two	Tariff three	Tariff four	Tariff five	Tariff six
For each completed period of 60 seconds		30p	30p	30p		
For each completed period of 90 seconds	30p				45p	60p

Extra charges

Each additional passenger after the second (accompanied children under the age of 3 are not charged, two children between 3 and 12 to be charged as one)	20p
Entrance to MOD establishments, booking fee, or from Plymouth Railway Station (subject to permit).	40p
For each uncaged animal (except working guide and hearing dogs)	30p
Fuel - to be added to each hiring if and when fuel oil is £1.40 at Exeter Street garage with a further 10p for each subsequent increase of 10p per litre	10p
For any soiling of the vehicle, inside or out	£50

Out of city and extended period hirings:

The fare for any hiring with a destination outside the licensing area can be negotiated with the driver **before the commencement of the journey** or run on the meter. Hirings may be undertaken without the use of the meter where there is a prior contract with a public authority or for a period in excess of one hour. Toll charges at current rate for return journey

GOOD OR BAD SERVICE?

Please let us know
by calling
01752 304141
or email
taxi.licensing@plymouth.gov.uk

Please ensure you have the vehicle licence number or driver badge number and quote the date and time.

Appendix 2

Proposed Tariff

HACKNEY CARRIAGE TABLE OF FARES



Made by virtue of Section 23 of the Plymouth City Council Act 1975

The driver must not refuse, without reasonable excuse, to take a hirer or would be hirer to any place within the licensing district, Section 53, Town and Police Clauses Act 1975

Applies to **ALL** journeys within the City boundary, and to journeys outside the City boundary unless agreed otherwise between driver and hirer, **PRIOR** to the hiring being commenced. Fares detailed below are the **MAXIMUM** fares that may be charged. Hiring's may be undertaken without the use of the meter where there is a prior contract with a public authority or for a period in excess of one hour. No other charges may be made.

- Tariff 1** Applies on Monday to Saturday from 7 am to 7 pm
- Tariff 2** Applies on Monday to Saturday from 7pm to Midnight, and Sundays/Bank Holidays from 7am to 7pm
- Tariff 3** Applies on Monday to Sunday from midnight to 7am and Sundays/Bank Holidays from 7pm to midnight
- Tariff 4** Applies from 7pm on Christmas Eve to 7am on Christmas Day, and from 7am on Boxing Day until 7am on 27 December, and from 7pm to midnight on 31 December and from 7am on New Year's day to 7 am on 2 January
- Tariff 5** Applies from 7am on Christmas Day until 7am on Boxing day, and on New Year's day from midnight until 7am

Distance	Tariff 1	Tariff 2	Tariff 3	Tariff 4	Tariff 5
For any distance up to one tenth of a mile	£3.00	£3.50	£4.00	£4.50	£6.00
For the next one tenth of a mile	£0.30	£0.30	£0.30	£0.45	£0.60
For each subsequent one fifth of a mile	£0.30	£0.30	£0.30	£0.45	£0.60

Waiting Time	Tariff 1	Tariff 2	Tariff 3	Tariff 4	Tariff 5
For each completed period of 60 seconds		30p	30p	45p	60p
For each completed period of 90 seconds	30p				

Extra Charges

- Each additional passenger after the second (accompanied children under the age of 3 are not charged, two children between 3 & 12 to be charged as one). **20p**
- Entrance to MOD establishments, booking fee, or from Plymouth Railway Station (subject to permit). **40p**
- For each uncaged animal except guide, hearing or other assistance dogs. **30p**
- Fuel - to be added to each hiring if and when fuel oil is £1.30 at Exeter Street service Station with a further 10p for each subsequent increase of 10p per litre. **10p**
- For any soiling of vehicle, inside or out **£50**
- Toll charges at current rate for return journey

GOOD OR BAD SERVICE?
Please let us know by calling
01752 304141
or email
taxi.licensing@plymouth.gov.uk
Please ensure you have the
vehicle licence number or
driver badge number and quote
the date and time