

CAMBRIDGE CITY COUNCIL

REPORT OF: Head of Refuse and Environment

TO: Licensing Committee

Date: 6 June 2011

WARD: All

HACKNEY CARRIAGE FARE REVIEW 2011/12

1 INTRODUCTION

1.1 To consider and determine the application from Cambridge City Licensed Taxis Limited (CCLT) for the annual increase in hackney carriage fares taking into account the representations of the applicant.

1.2 The applicant has submitted an application with 2 options:

Option 1: To agree an increase of 20p drop price and no increase in distance and time tariff.

Option 2: As per London, which is to increase, the drop on all tariffs by 10 pence and an increase on distance and time by 2.7%, and introduce a surcharge of 40 pence if local fuel prices reach £1.59p per litre.

1.3 A copy of the relevant application with the financial implications is attached at Appendix A.

2 RECOMMENDATION

2.1 That members of the Licensing Committee are recommended to approve:
Option 1: To agree an increase of 20p drop price and no increase in distance and time tariff.

2.2 That, if approved, the commencement date for the new fares will be Monday 5th September 2011.

3 BACKGROUND

3.1 At the Licensing Committee meeting on the 14th July 2005 it was agreed that all future hackney carriage fare reviews would be based on the percentage increase as agreed each year for London and that only distance and time elements would carry the increase.

3.2 London Taxi Fares are calculated by Transport for London using a retrospective cost index based on national average earnings and taxi operating costs.

- 3.3 In July 2009 the Licensing Committee did not agree to the request from CCLT for a 3.4% increase in taxi fares in line with the London Fare increase, or the requested surcharge for multi-seater vehicles, but did increase the initial drop price of each tariff by 20p. Members also asked officers to produce a report detailing possible methods of calculating fares in the future.
- 3.4 In July 2010 the licensing Committee did agree to a 2.3% increase in the distance and time tariff and a surcharge of 40p to be implemented if fuel prices reach £1.47 per litre.
- 3.5 Although members requested that future taxi fare increases should be calculated using a new mechanism the method has yet to be decided and so the recent request for a fare increase submitted by CCLT should be considered on its merits taking into account the current system.
- 3.6 A copy of the 2010 fare notice along with a fare notice displaying the new 2011 fares, if members approve this request for a fare increase, can be found in Appendix B.

4 CONSULTATION

- 4.1 The Council must publish a notice in a local newspaper, setting out the proposed variation in fares. The notice should specify a date (not less than 14 days from publication), and manner by which any objections should be made and if no objections are received then the new fares will come into force on the said date.

5 OPTIONS

- 5.1 To agree an increase of 20p drop price and no increase in distance and time tariff.
- 5.2 To agree an increase in line with London, which is a 2.7% increase, and an increase of 10 pence on drop and implement surcharge of 40p if local fuel prices reaches 1.59p per litre over the next year
- 5.3 Not to agree an increase, however, in Officers views, due to the increase in fuel prices and other costs this would be unreasonable.

6 CONCLUSIONS

- 6.1 The authority has a duty to provide a safe and secure hackney carriage service is available to the public and ensure that its policy in respect of hackney carriage vehicle licensing is providing the service and requirements that the public need.
- 6.2 Officers are aware that they have been instructed by Licensing Committee to carry out a detailed review on the mechanism for calculating Cambridge City Councils taxi fares including the introduction of a surcharge for multi-seater vehicles, and reducing the drop price and introducing a per person charge. This full review will take place in 2011 and will be used in assessing the annual fare review in 2012.

6.3 Officers recommend a fare increase as set out in Option 1 of Appendix A as it would be unreasonable for the trade to have no fare increase until the appraisal of 6.2 is carried out.

7 IMPLICATIONS

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| (a) Financial Implications | The cost of placing a notice in the local newspaper. Provision has been made in the budgets for these costs. |
| (b) Staffing Implications | None |
| (c) Equal Opportunities Implications | None |
| (d) Environmental Implications | None |
| (e) Community Safety | The City Council has a duty to ensure that a safe, secure and confident taxi service is provided for the public. |

BACKGROUND PAPERS: The following are the background papers that were used in the preparation of this report:

Information from CCLT Ltd

The author and contact officer for queries on the report is Yvonne O'Donnell Ext 7951

Report file: L:\Taxi Office\Filing\Reports\2011 fare review report.doc

Date originated: 1 June 2011

**CAMBRIDGE CITY COUNCIL
LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS ACT 1976)
HACKNEY CARRIAGE FARES.**

Cambridge City Council proposes to make the following table of Hackney Carriage Fares applicable to the hire of Hackney Carriages within the district of Cambridge City with effect from 6th September 2010. Objections to the fare review and increase should be made in writing by 6th September 2010 to Jas Lally, Head of Environmental Services.

A copy of this notice will be on deposit at the Licensing Office, City Services depot, Mill Road, Cambridge, CB1 2AZ until the 6th September 2010.

Proposed table of fares.

Tariff 1:	Between 0700 – 1900 hours (including initial distance of 92 metres or part thereof)	£2.40
Tariff 2:	Between 1900 – 0700 hours and Sundays and Bank holidays (including initial distance of 92 metres or part thereof)	£3.40
Tariff 3:	Between 1900 hours Christmas Eve and 0700 Hours Boxing Days and 1900 hours New Years Eve and 0700 hours New Years Day (including initial distance of 92 metres or part thereof)	£4.40

For each 183 metres or part thereof £0.20

Hiring charges-waiting time as indicated below- will be charged when the vehicle is motionless or when it is travelling below the changeover speed of 16.79km/p/h.

For each period or part thereof 40 seconds.....£0.20

Soiling (vehicle unfit to continue working) £80.00

Please be aware that all journeys in hackney carriages from the city centre ranks (or flags/hails) to any destination within the City boundaries must be charged on the meter, this is the maximum fare.

Exclusions: e.g. The Taxi-card Scheme.

Any fare calculated in accordance with the Table of Fares may be subject to any concession scheme approved by the Council, provided the driver of this vehicle is a participant in such a scheme and the passenger has provided any necessary proof of entitlement to the benefit of such a scheme to the satisfaction of the driver.

Mr Jas Lally
Head of Environmental Services,
Mandela House, Regent St, Cambridge, CB2 1BY
Email : licensing@cambridge.gov.uk

**Appendix B
CAMBRIDGE CITY COUNCIL
LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS ACT 1976)
HACKNEY CARRIAGE FARES.**

Cambridge City Council proposes to make the following table of Hackney Carriage Fares applicable to the hire of Hackney Carriages within the district of Cambridge City with effect from 5th September 2011. Objections to the fare review and increase should be made in writing by 5th September 2011 to Jas Lally, Head of Refuse and Environment.

A copy of this notice will be on deposit at the CSC Mandela House Regent Street Cambridge, CB1 2JP until the 5th September 2011.

Proposed table of fares.

Tariff 1:	Between 0700 – 1900 hours (including initial distance of 92 metres or part thereof)	£2.60
Tariff 2:	Between 1900 – 0700 hours and Sundays and Bank holidays (including initial distance of 92 metres or part thereof)	£3.60
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Mr Jas Lally
Head of Refuse and Environment,
Mandela House, Regent St, Cambridge, CB2 1BY
Email : licensing@cambridge.gov.uk

CCLT

Cambridge City Licensed Taxis Limited.
(Est. 2009)

Yvonne O'Donnell
Licensing Officer

Mr. D Wratten
4 Providence Way
Waterbeach
Cambridge
CB25 9QJ

Dear Yvonne

We would like submit the following to the licensing committee on the 6 June

For option 1 / 20 pence on the drop on all the tariffs but no 2.7% change on distance or time or the 40 pence surcharge. This would help towards the escalating increase in running costs, e.g. fuel, tyres, maintenance repairs, insurance- all gone up by 20 – 30% which equates to 40 pounds a week extra expenses on average. The 20 pence would bring in an extra 15 -20 pounds a week on average
The increase on fares is shown here below

Tariff one 1 mile from 4.20 -4.40 / 2miles 6.00 – 6.20 / 5 miles 11.20 – 11.40
Tariff two 1 mile from 5.20 -5.40 /2miles 7.00 – 7.20 / 5 miles 12.20 – 12.40
which on 1 mile is 4.7% / 2mile 3.4% / 5mile 2,7%

Here are the figures for the fare rise option 2 as per London

10 pence on the drop (Flag) on all the tariffs

Tariff one 240-250

Tariff two 340-350

Tariff three 440-450

The first 92 meters down to 90 meters

Then for the rest of journey every 183 meters down to 179 meters

This ranges from 2.3% to 2.6% which is just under the 2.7% for London

Tariff one 1 mile from 4.20 - 4.30 / 2 miles 6.00 – 6.10/ 5 miles 11.20- 11.70

Tariff two 1 mile from 5.20- 5.30 / 2miles 7.00 – 7.10 / 5 miles 12.20 – 12.70

Waiting time would reduce from 40 seconds to 39 seconds.

And the surcharge of 40 pence if locale fuel prices reach 159p per liter

Regards

David Wratten

Director CCLT Ltd