

To: All Members of the LICENSING AND  
REGULATORY COMMITTEE  
(Other Members for Information)

When calling please ask for:

Kimberly Soane, Democratic Services Officer  
**Policy and Governance**

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Calls may be recorded for training or monitoring

Date: 13 September 2019

### **Membership of the Licensing and Regulatory Committee**

Cllr Robert Knowles (Chairman)  
Cllr Peter Clark (Vice Chairman)  
Cllr Roger Blishen  
Cllr Martin D'Arcy  
Cllr Jerome Davidson  
Cllr Patricia Ellis

Cllr Michael Goodridge  
Cllr Anna James  
Cllr Jacquie Keen  
Cllr Jack Lee  
Cllr Michaela Martin  
Cllr Ruth Reed

### **Substitutes**

Cllr Peter Isherwood  
Cllr Jenny Else

Cllr Joan Heagin

Dear Councillors

A meeting of the LICENSING AND REGULATORY COMMITTEE will be held as follows:

DATE: MONDAY, 23 SEPTEMBER 2019

TIME: 10.00 AM

PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, THE BURYS,  
GODALMING

The Agenda for the meeting is set out below.

Yours sincerely

ROBIN TAYLOR  
Head of Policy and Governance

Most of our publications can be provided in alternative formats. For an audio version, large print, text only or a translated copy of this publication, please contact [committees@waverley.gov.uk](mailto:committees@waverley.gov.uk) or call 01483 523351

**This meeting will be webcast from the conclusion of Informal Question Time and can be viewed by visiting [www.waverley.gov.uk](http://www.waverley.gov.uk)**

## **NOTE FOR MEMBERS**

Members are reminded that contact officers are shown at the end of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

## **AGENDA**

### 1. MINUTES

To receive the minutes of the meeting held on 17 June 2019 (to be laid on the table half an hour before the meeting).

### 2. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

To receive apologies for absence and to report any substitutions

### 3. DECLARATIONS OF INTEREST

To receive from members declarations of interest in relation to any items included on the agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

### 4. QUESTIONS FROM MEMBERS OF THE PUBLIC

The Chairman to respond to any questions received from members of the public in accordance with Procedure Rule 10.

The deadline for submission of written questions for this meeting is 5pm Monday 16<sup>th</sup> September 2019.

### 5. QUESTIONS FROM MEMBERS

The Chairman to respond to any questions received from Members in accordance with Procedure Rule 11.

The deadline for submission of written questions for this meeting is 5pm Monday 16<sup>th</sup> September 2019.

### 6. ACTION AUTHORISED

To receive any action taken by the Executive Director after consultation with the Chairman and Vice-Chairman since the last meeting.

### 7. TAXI AND PRIVATE HIRE TARIFF CARD AND FEES (Pages 7 - 48)

To review the report and consider the five comments received, (two from individual licensees, and three with attached names and signatures from numerous licensees) regarding a review of the Hackney Carriage Tariff Fare Scale.

To consider the questionnaire and the responses received in relation to a

proposed format/template to calculate Hackney Carriage Tariff Fare scales.

To make recommendations to the Executive for a revision, if any, of the approved hackney carriage tariff fare scale.

### **LICENSING ACT 2003 ITEMS**

8. MINUTES OF THE LICENSING (GENERAL PURPOSE) COMMITTEE (1)  
(Pages 49 - 50)

To receive the minutes of the Licensing (General Purpose) Committee held on 17 June 2019.

9. MINUTES OF THE LICENSING (GENERAL PURPOSE) COMMITTEE (2)  
(Pages 51 - 52)

To receive the minutes of the Licensing (General Purpose) Committee held on 1<sup>st</sup> July 2019

### **OTHER LICENSING ITEMS**

10. FORWARD PROGRAMME

To note the following items programmed to come to forthcoming meetings.

November 2019	Taxi Policy Review
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11. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman:-

#### Recommendation

That pursuant to Procedure Rule 20 and in accordance with Section 100B(5) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in the appropriate paragraph(s) of the revised Part 1 of Schedule 12A to the Act (to be identified, as necessary, at the meeting).

12. LEGAL ADVICE

To consider any legal advice relating to any items in the agenda.

**For further information or assistance, please telephone  
Kimberly Soane, Democratic Services Officer, on 01483 523258 or by**

**email at [kimberly.soane@waverley.gov.uk](mailto:kimberly.soane@waverley.gov.uk)**

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## WAVERLEY BOROUGH COUNCIL

### LICENSING REGULATORY COMMITTEE – 23 SEPTEMBER 2019

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#### Title:

#### **HACKNEY CARRIAGE TARIFF FARE SCALES – REVIEW**

[Wards Affected: All]

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#### Summary and purpose:

From time to time the Taxi trade requests that we, the Council, increase the amount that they can charge their customers, the last of which was in February 2014. This report sets out the recent history and current fare levels in Waverley.

The purpose of this report is to enable the Committee to consider five comments received, (two from individual licensees, and three with attached names and signatures from numerous licensees) regarding a review of the Hackney Carriage Tariff Fare Scale. The purpose is also for the Committee to consider the questionnaire and the responses received in relation to a proposed format/template to calculate Hackney Carriage Tariff Fare scales. In addition, for the Committee to make recommendations to the Executive for a revision, if any, of the approved hackney carriage tariff fare scale.

The report has no direct resource, environmental or “Opportunities for All” implications for Waverley.

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#### How this report relates to the Council’s Corporate Priorities:

Taxis play an important part in the overall public transport network in the Borough and contribute to the priorities relating to the Environment and Leisure and Lives.

#### Equality and Diversity Implications:

The intention behind taxi and private hire licensing is the safety of the public, and also to enable people to provide the service to those wishing to avail themselves of a vehicle and driver for any reason. The Committee will need to consider the comments in the light of whether (a) there is sufficient incentive in the present fare scale to enable the service to be given, and (b) whether any increase would be a disincentive to potential users of the service.

#### Resource/Value for Money implications:

The resource implications of this report include the costs of advertising any tariff fare scale approved by the Executive and, if required, considering representations received. The Council must eventually write to all licensed vehicle proprietors informing them of any change to the fare scale, and it will be necessary to issue new fare charts for their vehicles. Adjustment to the meters is for individual taxi proprietors to arrange.

## Legal implications:

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 provides that in respect of the charges for Hackney Carriages, the Council may “*fix the rate or fares within the district as well as for time as distance and all other charges in connection with the hire of a vehicle, to be paid in respect of the hire of hackney carriages by means of a table.*”

The Council is legally obliged to publish, in a local newspaper, details of any variation to the table of fares and to consider any objections received by way of a further hearing if they are not withdrawn. In order to set hackney carriage fares, the procedure in Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 must be followed. There is no right of appeal in respect of the setting of fares.

## Introduction

1. Currently in Waverley, Hackney Carriage fares are set by Licensing Committee and all journeys taking place in the Waverley Borough area are paid in accordance with the fares set on the vehicle meter at the end of the journey.
2. On 23 February 2014, the current scale of hackney carriage fares took effect. This current tariff is attached at Annexe 1. Prior to that tariff, increases in fares had happened in July 2012, August 2008, August 2006, December 2004, January 2003 and March 2002.
3. Five specific written comments have been received from licensees regarding the tariff fare scale;

## Licensee Proposed Revision of Approved Fare Scale

- Sent from [Mail](#) for Windows 10  
How dare you even contemplate an increase in prices when we unfortunate taxi drivers have not had a distance increase in our fares for over TEN YEARS, do you not realize that we have incurred a huge loss in our income due to normal running costs i.e. fuel servicing insurance etc., I am disgusted that the council seem to think that a price increase is fine for them but not for us. our running costs are taking a huge percentage of our income and its about time we had at least a 25 per cent increase in our fares do that and maybe we would agree to your proposed increase in the meantime please reconsider the proposed increase. **(Name Redacted)**

- 
- Sent from my iPhone referring to your email reference to the increase of charges to the licences as we have not had a increase in our distance fares for over ten years I find it disgusting that the council would even contemplate a increase in the costs to us taxi drivers with the amount know of operating in the Waverley area we are finding it extremely difficult to make ends meet every week is getting harder . AS our costs just keep rising . **(Name Redacted)** taxi driver

- 
- After reading your proposed increase of the Hackney Carriage and private hire licenses, i have had to put something in writing.



In recent years, there has already been a number of price increases which i don't think to be justified.

If this most recent proposed price increase is to go ahead, then i propose that Waverley Borough Council must look at the costs and prices of fares.

Over the past twelve years that i have been a taxi driver, we have only ever had one increase in our fares which was in 2011 when it went from £3.00 to £3.40 for our shortest basic fare. Over this time period, there has been a large increase in fuel prices, British Rail charges, garage costs and a number of other bills that we have to pay to keep our cars on the road.

I know for a fact that in the Haslemere area alone, there are drivers looking at other ways of earning a living and moving on, so something must be done.

I have spoken to a number of other drivers regarding these issues and they have all signed off that changes must be made. Please see attached signatures from the other drivers in the Haslemere area and their badge numbers. Please note that out of the twenty drivers I asked regarding this issue, all twenty have signed the attached.

If Waverley Borough Council could look into an increase of £1.60 on a basic fare tariff to a total of £5, it would be greatly appreciated and would alleviate our issues of a price increase to our licences.

I hope all is clear and i look forward to your response.

Yours Sincerely  
**(Name Redacted)**

**A list of 20 licensee names and signatures was attached.**

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- Dear Sirs,  
I' am writing this letter to propose that Waverley Borough Council must look at the costs and prices of fares.  
Over the past few years that I have been a taxi driver, I never witnessed a price increase in our fares, and also by talking to a load of drivers who has been here long enough that they only witnessed one increase in our fares, which was in 2011 when it went from £3.00 to £3.40 for our shortest basic fare. Over this time period, there has been a large increase in fuel prices, British Rail charges, garage costs and a number of other bills that we have to pay to keep our cars on the road.

The majority of work that we do in the Godalming area by 80% at least is basic fares, which the meter won't move from £3.40 and also the number of drivers has increased at Godalming station which makes it quite difficult sometimes to obtain another job within an hour.

I know for a fact that in the Godalming area alone, there are drivers looking at other ways of earning a living and moving on, so something must be done.  
I have talked to a number of other drivers regarding these issues and they have all agreed to sign the petition that changes must be made.

Please see attached signatures from the other drivers in the Godalming area and their badge numbers.

Please note that out of the twenty five drivers I asked regarding this issue, all twenty five have signed the attached petition.

If Waverley Borough Council could look into an increase of £1.60 on a basic fare tariff to a total of £5, it would be greatly appreciated and would alleviate our issues of a price increase to our licenses to which has accrued recently.

I look forward to hear from you.

Yours sincerely,

**(Name Redacted)**

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**A list of 25 licensee names and signatures was attached.**

Hi Team

Please find attached a request for a fare increase and tinted window request.

I have circulated this information and gained signatures from drivers who agree with this proposal. I am still gathering signatures from other driver which are due to come to me for next week. I will forward these once I have received them.

There was a crossover from me gathering the above information and the letter\email you sent out requesting feedback.

I note from your letter that one of the mechanism you are considering using for calculating a fare increase is the Guildford mechanism. I want to ensure that any mechanism you use, not only considers the independent taxi driver but also the drivers who work with a company as their costs are higher. A lot of these mechanisms use index's to calculate costs to the drivers. However they never seem to include office costs for the taxi office. Any driver working with a firm will pay a fee to the company, with VGT the drivers pay 20% commission of any fare provided by VGT and VGT use this to pay for advertising, staff, telephone computer systems etc. When there is no fare rise the office does not get any increase in its revenue unless we raise the commission charged to the drivers. Since 2014 the office staff's wages have all risen as minimum wage has risen from £6.50 in 2014 to £8.21 in 2019 and the compulsory workplace pension has also added cost to the taxi office. These costs don't appear to be considered within the indexes listed but are a charge against a drivers income.

Kind Regards,

**(Name Redacted)**

**A list of 11 licensee names and signatures was attached**

**ATTACHMENT TO EMAIL**

**Waverley Council – Fare Increase and Tinted windows.**

Fare Increase

We the undersigned [can you include details of the numbers of people that have signed this – is this 25 as above?] would like to request a fare increase. It's over 5 years since the last fare increase and the costs of operating have risen over this time. Not only have the costs of operating a taxis risen but the operational costs of operating the taxi companies has also risen and these costs don't appear to be considered (particularly in the Guildford calculation). With the introduction of compulsory pensions scheme and the minimum wage rising from £6.50 in 2014 to £8.21 in 2019. Office costs are relevant as they are obtained from the fares via drivers paying a commission, standardly 20% of the fare.

We would request the following alteration:

We would like to see the yardage included in the initial fare adjusted from 1466 yards to 1341 yards and a 5% reduction in the subsequent yardage from 146.6 yard to 139.3 yards and. This proposal would add 20p to the first mile and a 5% yardage reduction ongoing.

We would also like to see the initial waiting time included in the initial charge reduced from 8 mins to 366 seconds (6 mins an 6 seconds) and the waiting time reduced from 40 seconds to 38 seconds per 20p (5%).

The booking fee should rise from 60p to 90p.  
 (This helps drivers cover the dead miles from the rank to the pickup point this fee would be in line with Hart, Rushmoor, Surrey heath who all have a £1 fee. East Hampshire have a £3 booking fee)

Tariff 4 additional charge should rise from 60p to £1.00p.  
 (There is a driver shortage on a Sunday and this may encourage drivers to work on the Sunday and take a day off during the week instead, increasing availability for Sundays and rewarding drivers for working on a Sunday.)  
 (East Hants add £1, Guildford borough add £1, Surrey heath adds 80p on the first mile and 35p per mile after, Hart are time and a half)

**CURRENT TARIFF**

<b>Name :</b>	TARIFF 1		
<b>Date:</b>	23/02/2014		
<b>Soiling charge:</b>	£100.00		
<b>Wait:</b>	40	(secs)	
<b>Flag fall:</b>	£3.40	A	
<b>Initial yardage:</b>	1466	B	
<b>Unit thereafter:</b>	146.6	C	
<b>Price unit :</b>	0.2	D	
<b>Initial Waiting Time (secs):</b>	400		

**PROPOSAL - 2019**

<b>Name :</b>	<b>TARIFF 1</b>		
<b>Soiling charge:</b>	£100.00		
<b>Wait:</b>	38	(secs)	
<b>Flag fall:</b>	£3.40	A	
<b>Initial yardage:</b>	1341	B	
<b>Unit thereafter:</b>	139.3	C	
<b>Price unit :</b>	0.2	D	
<b>Initial Waiting Time (secs):</b>	366		

Distance (miles)	TARIFF 1		
	<i>Current</i>	<i>Proposed</i>	<i>% Change</i>
<b>Flag</b>	£3.40	<b>£3.40</b>	0.00%
<b>1</b>	£4.00	<b>£4.20</b>	5.00%
<b>2</b>	£6.40	<b>£6.60</b>	3.12%
<b>3</b>	£8.80	<b>£9.20</b>	4.55%
<b>4</b>	£11.20	<b>£11.60</b>	3.57%
<b>5</b>	£13.60	<b>£14.20</b>	4.41%
<b>6</b>	£16.00	<b>£16.80</b>	5.00%
<b>7</b>	£18.40	<b>£19.20</b>	4.35%
<b>8</b>	£20.80	<b>£21.80</b>	4.81%
<b>9</b>	£23.20	<b>£24.40</b>	5.17%
<b>10</b>	£25.60	<b>£26.80</b>	4.69%

Tinted windows

We the undersigned wish to request that the council adjust the policy on tinted windows. When cars are purchased from new there is no information

available on the specification of the tinted window. Also a number of manufacturers (e.g. Ford and Mercedes) are sold with tinting as standard.

We would request that tints provided by vehicle manufactures should always be allowed as they will always meet the laws of the land.

We would request that aftermarket tints should be allowed on the rear window and rear side windows. (Front and front side windows should remain as manufacture) The level of these tints could be specified by the council. The proprietor would need to provide a headed letter of conformity, from an aftermarket tinter, to confirm the level of the tint meets the level specified by the council (+ or – 2% due to the accuracy of the meters).

Having spoken to an aftermarket tint company he confirms that the VW group (Skoda, VW, Passat, Seat) standard tint is set to allow a visible light transmission of 35% (+/- 2%). We request the council adopt this level for aftermarket tinting.

Tinted glass can aid in the reduction of heat and uv light in the vehicle. It also aids in school transport for students with sensory needs and it greatly improves the image of the fleet and is great for corporate customers. We recognise there is a fear that something untoward could happen in the back of a vehicle with tinted windows. We would ask how many times an incident has occurred, where tinting has had an effect and is the response reasonable and necessary.

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4. In 2018 Guildford Borough Council set their new fare tariff using a more transparent and robust methodology which has been subject to scrutiny by the Courts. A copy of the methodology is attached at **Annexe 2**. Officers sent an email to Waverley Taxi and Private Hire licensees' on 19 July 2019, requesting comments from licensees, via an online survey, regarding the current tariff of fares, seeking their views on specific elements of the proposed approach, based on the Guildford methodology, and informing them of proposed requests received. A copy of the email is attached at **Annexe 3**
5. A copy of the survey and comments received setting out the feedback is attached at **Annexe 4**
6. The table below sets out comparative rates with other nearby districts. It should be borne in mind that the driver/proprietor always has discretion to charge **less than the maximum** fare. A league table of fares for 362 local authorities, based on a **two-mile journey**, was published by the trade's own journal, Private Hire Taxi Monthly (PHTM) in June 2019. Waverley's current charge (£6.20) places us at number 126 in the list.
  - The Highest cost is London (Heathrow) which is - £10.60
  - The Cheapest being Newcastle-Under-Lyme - £4.20.
  - The National Average rate is - £5.89

<b>District/Borough</b>	<b>Position 1 to 362</b>	<b>Cost 2 mile Journey</b>
Mole Valley	13	£7.10
Guildford	35	£6.80
Hart	36	£6.80
East Hampshire	78	£6.40
Rushmoor	84	£6.40
Surrey Heath	88	£6.40
Woking	90	£6.40
Chichester	104	£6.20
Horsham	108	£6.20
<b>Waverley</b>	<b>126</b>	<b>£6.20</b>
Elmbridge	133	£6.10
Tandridge	181	£5.90

### **Officer Comment**

7. .In setting the fare scale it is essential that the proposed fares can be accommodated on the taxi meter fitted in all vehicles. In the past the Committee has considered licensees proposals/comments along with officer comments and charts similar to the one above when making their decision for a fare increase. In 2018 Guildford Borough Council set their new fare tariff using a more transparent and robust methodology which has been subject to scrutiny by the Courts.

### **Process for Amending the Fare Scale**

8. .Any setting of or amendment to the Hackney Carriage Fare Scale, which is an executive function, is governed by Section 65 of the Local Government (Miscellaneous Provisions) Act 1976. The Executive, next meets on 08 October 2019 and if appropriate can determine a table of fares to be advertised in the local press and held on deposit at Council offices for public inspection. The Committee is therefore requested to consider the position and if appropriate recommend a table of fares to the Executive.

If this process is pursued, and there are no objections following advertisement of the table of fares, the table will come into effect on 10 January 2020.

If there are objections to any advertised table, they will be reported to this Committee (13.01.20). The Committee will then be requested to make recommendations to the Executive, which will decide (04.02.20), in view of the objections, whether to modify the advertised table of fares. The table of fares (with or without modification) must be brought into effect within two months of the original end date for objections.

A flow chart for setting Hackney Carriage Fares is attached at **Annexe 5**. Following advertisement in a local newspaper, there are specific timetables to adhere to, and the timetable sets out the various dates on which stages in the process are required to take place. For the Committee's information at this stage any driver or member of the public can object to the proposals advertised. If objections are received they will be reported to the Executive before any change to tariff is introduced.

### **Decision and Conclusion**

9. The Committee will need to consider whether it would wish officers to advertise any of the proposed changes to the current fare scale or recommend that the existing table of fares (February 2014, Annexe 1) be agreed.

If the Committee is minded to review the current scale, it is asked to give an indication of what it would wish, so that officers can work up a suggested proposal which can then be advertised. Do the Committee wish to;

- Accept any of the licensees proposals (with or without amendments) for officers to advertise in the local newspaper
- Propose their own fare scale for officers to advertise in the local newspaper
- Request that officers explore the Guildford Borough Council Methodology for officers to work on and report back to committee
- Make no changes and keep fares at current levels.

### **Recommendation**

It is recommended that;

the Committee considers the content of this report and the comments regarding Waverley's Hackney Carriage Fare Scales and after taking into consideration the proposals the Committee may;

1. Accept any of the licensees proposals to the Hackney Carriage Fare Scale (with or without amendments) for officers to advertise in accordance with Section 65 Local Government (Miscellaneous Provisions) Act 1976 or;
2. Propose their own proposed to the Hackney Carriage Fare Scale for officers to advertise in accordance with Section 65 Local Government (Miscellaneous Provisions) Act 1976 or;
3. Request that officers provide a further report providing specific options utilising the Guildford Borough Council methodology template. or;
4. Make no recommendation of change to Hackney Carriage fares.

Emails from five Waverley Licensed Taxi Drivers

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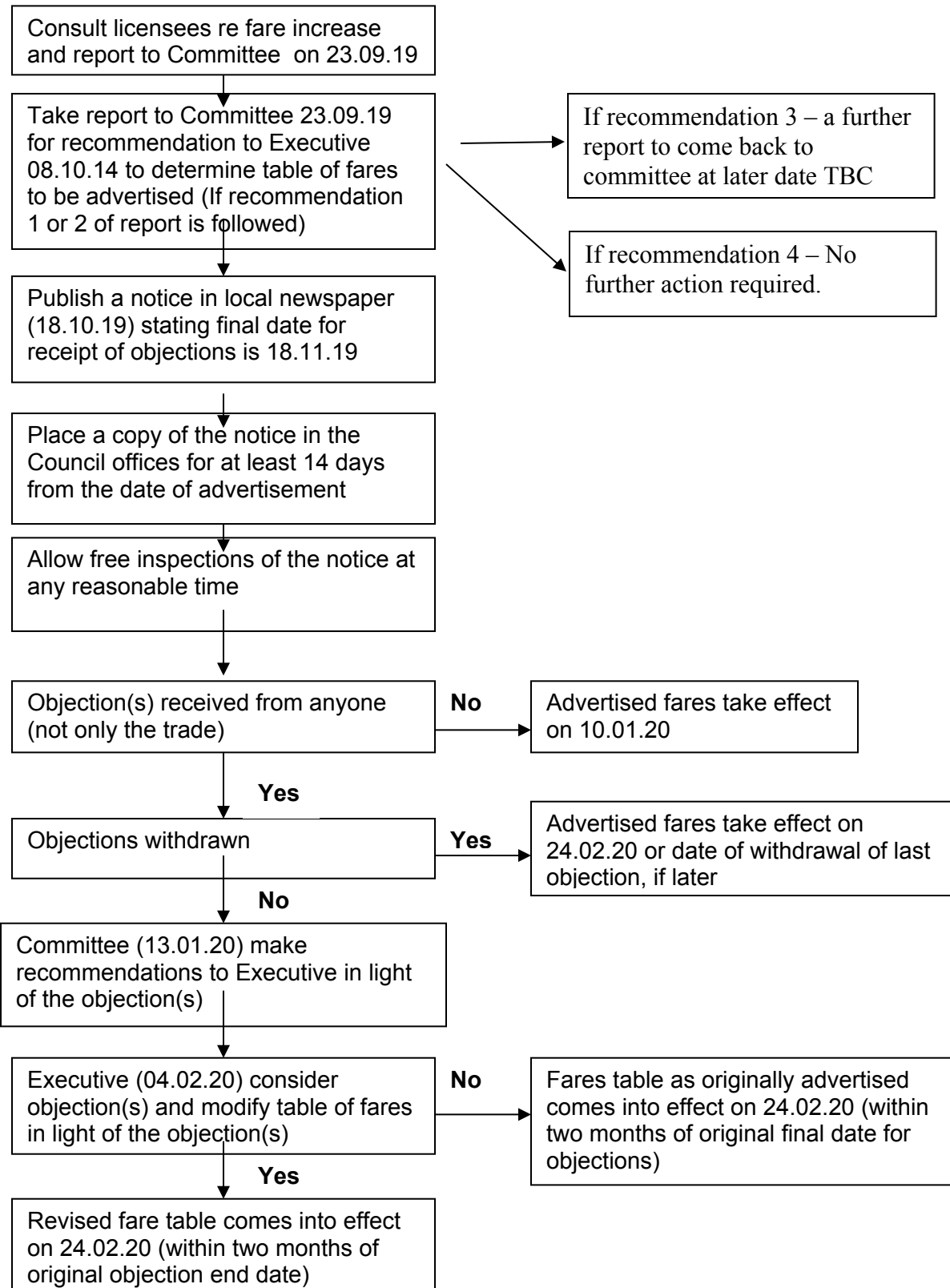
**CONTACT OFFICER:**

**Name:** Paul Hughes      **Telephone:** 01483 523189

**E-mail:** [paul.hughes@waverley.gov.uk](mailto:paul.hughes@waverley.gov.uk)



## Waverley Flow Chart for setting of Hackney Carriage Fares 2019/20



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THE FARE ON THE METER WHEN IN USE MUST BE VISIBLE TO THE PASSENGER AT ALL TIMES

<b>TARIFF 1 (Basic Fare)</b>	
Charge for any distance not exceeding ten-twelfths (10/12) mile (1466 yards, 1340.8 metres) or the first eight minutes of the fare (or a combination of distance and time)	<b>£3.40</b>
For each subsequent one twelfth (1/12) of a mile (146.6 yards) (134.08 metres)	<b>20p</b>
Waiting time - For each period of 40 seconds or part thereof	<b>20p</b>
<b>TARIFF 2 EVENINGS and BANK HOLIDAYS</b> (For hirings starting as follows: between 11.00 pm and 7.00 am on Mondays to Saturdays; between 10.00 pm on Sundays and 7.00 am on Mondays between 6.00 pm and 11.00 pm on New Year's Eve at any time on all Bank and Public Holidays) <b>One and a half times Tariff 1 fare (BASIC FARE x 1.5)</b>	
<b>TARIFF 3 CHRISTMAS AND NEW YEAR</b> (For hirings starting ONLY between 11.00 pm on Christmas Eve and 7.00 am on 27th December, and between 11.00 pm New Year's Eve and 7.00 am on 2nd January) <b>Two times basic fare (BASIC FARE x 2)</b>	
<b>TARIFF 4 (For hirings starting ONLY between 7.00 am and 10.00 pm on SUNDAYS)</b> <b>SURCHARGE of 60p on relevant rate detailed above</b>	
<b>EXTRA CHARGES</b>	
1. <b>BOOKING CHARGE:</b> For hirings made otherwise than with the driver of a hackney carriage standing or plying for hire at a rank or in a street, provided that this charge is made known to the person making the booking at the time the booking is made.	<b>60p</b>
2. <b>EXTRA PASSENGERS:</b> For each passenger in excess of one (1)	<b>30p</b>
3. <b>SOILING CHARGE:</b> For soiling the interior of the vehicle (by human contamination) which leaves it unfit for subsequent hiring unless cleaned.	<b>£100.00</b>

**IMPORTANT NOTES**

1. If the journey ends outside the Waverley Borough, the driver MUST still charge in accordance with the above fare scale unless a fare has been agreed otherwise with the hirer before the journey has started.
2. Total fare includes VAT, where appropriate.
3. Your driver will be wearing an up-to-date Waverley identification badge with photograph.

COMPLAINTS OR LOST PROPERTY SHOULD BE REPORTED TO WAVERLEY BOROUGH COUNCIL, COUNCIL OFFICES, THE BURYS, GODALMING, SURREY (TEL: 01483-523219) QUOTING, IF POSSIBLE, THE CAB NUMBER AND/OR THE DRIVER'S BADGE NUMBER.

h/farescale14.doc

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**Hackney Carriage (Taxi) Table of Fares Methodology and Procedure 2018**

1. This methodology has been created to provide a transparent process for calculating taxi fares. The information provided in this document is supported by factual evidence. If statistical data is not available the calculations are based on reasoned argument.
2. In determining the factors, consideration has been given to the fact that taxi proprietors often have differing business practices. Consequently it is accepted that running costs may vary between businesses and it is not intended to compensate some proprietors for bad business practice or for figures that differ greatly from the average (eg higher salaries, costs of diverting telephones etc, not charging the full tariff amount). For this reason an average calculation has been used.
3. All factors that are relevant to running a taxi have been considered following consultation with the taxi trade. This methodology and the relevant factors have been subject of an independent audit. The factors include:

An allowance for an annual salary for the taxi driver	£30,796.5
The average annual mileage of a licensed Guildford taxi	24,989
The amount of mileage without a fare paying passenger. This is referred to as the 'dead' mileage.	11,245
The amount of mileage with a fare paying passenger. This is the average live mileage	13,743
The average travelled for each fare paying journey	2.5 miles
The average number of journeys travelled with a fare paying passenger in the taxi	5497.58
Costs of running a diesel car in the £26,000 to £36,000 price bracket when new per mile.	0.42 pence
Depreciation per annum	£3551.24
Cost of Capital	£569.59
Annual cost of insurance	£632.76
Additional insurance costs associated with the taxi trade	£500
Cost of road tax	£190
Average breakdown cover	£52.64
The average cost of fuel per litre	127.6
Cost of tyres	£532.27
Service labour costs	£589.74
Replacement parts	£787.15
Parking and tolls	£527.27
Annual station rank fee	£1038
Cost of BTEC (over 3 years from 2016)	£350
Cost of livery (over 5 years)	£1250
Annual maintenance of livery	£300
Cost of removing the livery (over 5 years)	£300
Cost of providing a roof sign and meter, and annual meter change (per year)	£60

4. Unless additional factors are identified they will remain constant each year however it is anticipated that the values will change annually.
5. The values will be entered in to the Guildford Hackney Carriage Fares Calculator which will be used to calculate the charge per mile for the relevant year.
6. Any changes to the value of the charge per mile will be entered into the table of fares which will be passed to the Lead Councillor for determination in consultation with the Head of Service with responsibility for licensing functions.

### **The Average Wage**

7. The proprietor (owner) of a taxi will not necessarily be the driver. Consequently, different arrangements may exist regarding any income from the use of the vehicle as a taxi. An owner and driver will retain all the income; however a driver may pay the owner a sum of money to rent the vehicle on a weekly or monthly basis. The non-owner driver will then retain the remaining income obtained from taxi fares.
8. Therefore in determining the taxi fares an appropriate level of remuneration must be established that recognises that different arrangements exist but which does not take individual circumstances and business practices into account.
9. The median annual gross salary for Guildford is £32,223 per annum which has been obtained from data published in ASHE 2017 (provisional) Table 10 by the Office for National Statistics. This table refers to places of residence by parliamentary constituency. Following the audit recommendations, the Council has expanded the data sets to include:
  - a. ASHE 2017 (provisional) Table 7 - Place of Work by Local Authority – Median £29,829
  - b. ASHE 2017 (provisional) Table 8 - Place of Residence by Local Authority – Median £31,207
  - c. ASHE 2017 (provisional) Table 9 - Place of Work by Parliamentary Constituency – Median £29,927
  - d. ASHE 2017 (provisional) Table 10 - place of residence by parliamentary constituency - Median £32,223.
10. The total of the four data sets above is £123,186. The average can be calculated by dividing £123,186 by 4. This equals £30,796.50.
11. The reason for using the median rather than the mean is that it is not influenced by outliers at the extremes of the data set which can often be the case when calculating income data for a group of people.

<http://www.ons.gov.uk/ons/datasets-and-tables/index.html?pageSize=50&sortBy=none&sortDirection=none&newquery=ashe&content-type=Reference+table&content-type=Dataset>

12. Consideration was given to using the National Minimum Wage based on a 40 hour working week. The national minimum wage was increased to £7.50 per hour in April 2017 and will increase to £7.83 per hour from April 2018. Assuming a person works 40 hours per week for 52 weeks of the year the minimum annual wage is equal to £15,600 currently, rising to £16,286.40 in 2018.
13. If the national minimum wage is used the average running costs for a taxi would significantly reduce and the fares would therefore significantly reduce.
14. The median value in Guildford is £15,196.50 higher than the national minimum wage and this reflects the true cost of living in Guildford and is relevant to these calculations. It is therefore proposed that the median average wage is used for the Borough of Guildford obtained from the website of the Office for National Statistics.

**The figure that should be used for calculations is the average of the four data sets shown in 9 above.**

**In respect of 2018 this is:**

**£30,796.50**

**This is shown as Item (A) on the Fares Calculator**

### **The Average Annual Mileage**

15. The average annual mileage is relevant in determining taxi fares because it can be used to determine the annual cost of running a taxi.
16. This average annual mileage is obtained from the odometer readings of all vehicles licensed by Guildford Borough Council when presented at the Woking Road Depot for testing.
17. The audit recommended dividing the average annual mileage per vehicle by the number of licensed drivers to provide a true reflection of the average annual mileage per driver and address the issue of vehicles being used by multiple drivers. This recommendation was adopted.
18. The total number of miles carried out 214 taxis licensed in 2017 was 4,822,924 miles. This figure gives an average number of miles per vehicle of 22,537. The methodology and audit recommendations advise that the total mileage should

be divided by the number of licensed drivers where mileage information is available to provide the average mileage per driver.

19. 4,822,924 miles divided by 193 drivers is an average of 24,989 miles per driver.

**The figure that should be used for calculations is the average mileage shown in 20 above.**

**In respect of 2018 this is:**

**24,989 miles**

**This is shown as Item (E) on the Fares Calculator**

### **Dead Mileage**

20. A taxi does not travel all of its mileage with a fare paying passenger on board. This is usually referred to as "dead mileage". It is not possible to calculate the exact amount of dead mileage travelled by each taxi.
21. For example, if customers are taken from point A (the rank) to point B and the taxi always returns to point A without a customer on board the dead mileage would be approximately 50 per cent of the total mileage therefore this is the starting point for the calculation.
22. However if customers are taken from point A to point B and the taxi occasionally returns to point A with a customer the dead mileage would be less than 50 per cent of the total mileage.
23. In addition a number of other factors should be taken into account as follows:
- a. taxis do not always return empty to the point of initial departure
  - b. taxis may travel with a customer from point A to point B and then from point B to point C thus not enduring any dead mileage
  - c. the taxi may be flagged down whilst returning empty to point A therefore the dead mileage will not always be the same distance as the initial paid mileage
  - d. taxis may operate by being pre-booked and this can reduce the amount of dead mileage for example from Point A to the taxi rank and then from the taxi rank to point B
  - e. taxis drivers use the vehicle travelling to and from work
  - f. some drivers use their taxi for personal, social and domestic journeys away from work



24. By increasing the dead mileage, the cost of running a taxi will increase. Consequently the cost of the fare and income will increase. Careful consideration should therefore be given to the figure allowed for dead mileage.
25. The auditor recommended additional consultation to support the above assumptions for future calculations and this has been carried out with HMRC, Taxi drivers and proprietors and Surrey licensing authorities.
26. In order to determine whether data obtained from taximeters can be used to calculate dead mileage; enquiries were made with the taximeter agents within Guildford. Information supplied on 12 December 2012 by two agents shows that all taximeters can record the mileage travelled by each taxi and this could be used to calculate the dead mileage. However they state that the records would not be accurate for the Council's purposes because the data can be deleted from the taximeter, the meter may be left on when the vehicle is not hired and the data obtained cannot differentiate between private mileage and dead mileage. Similar advice was given during this review.
27. Information supplied by HMRC shows that the level of dead mileage will vary between council areas and cannot therefore, be stated as a fixed percentage. HMRC is aware that taxi journeys carried out on contract such as home to school trips or pre-agreed fares to airports will not always be recorded on the taximeter and could appear to be dead mileage when in fact there is a fare paying passenger in the vehicle. HMRC also state that any travel to and from the taxi drivers place of work is not deemed to be dead mileage for the purposes of calculating tax liability. Both of these factors therefore reduce the amount of dead mileage that can be included in the overall calculation.
28. Previous consultation with taxi drivers provided information to show that dead mileage accounts for between 33 per cent and 50 per cent of the total mileage travelled by the taxi.
29. It is clear from information provided by HMRC, the taximeter agents and consultation responses that a number of factors will cause this initial percentage to reduce such as travel to and from work, private journeys and unmetered journeys.
30. An issue only arises in relation to mileage completed whilst travelling to and from work if the driver does not live within the Borough of Guildford. A driver who is resident in Guildford can ply for hire immediately within the district in which the driver is licensed. However the driver who is not resident in Guildford cannot ply for hire until the driver is within the Guildford Boundary. Therefore, any mileage travelled before entering Guildford cannot be included in the dead mileage calculation.
31. The consultations and additional enquiries have not provided sufficient evidence to identify the exact amount of dead mileage travelled by taxis in Guildford. The rate of dead miles was set at 45% for fare reviews in 2013, 2015

and 2016 and the consultation responses do not provide any evidence in order to justify any changes to this figure.

**The percentage that should be used for calculations is 45 per cent as shown in 32 above.**

**In respect of 2018 this is:**

**11,245 miles**

**This is shown as Item (F) on the Fares Calculator**

### **Average Live Mileage**

32. The average live mileage is calculated by subtracting the dead mileage (F) from the Annual Average Mileage (E).
33. 24,989 minus 11,245 is 13,744 miles.

**The mileage that should be used for calculations is shown in 34 above.**

**In respect of 2018 this is:**

**13,744 miles**

**This is shown as Item (4) on the Fares Calculator**

### **Average Distance per Journey**

34. The average distance travelled for each fare paying journey does not affect the cost per mile of running a taxi in Guildford however the figure is relevant when calculating the amount that may be charged by a taxi driver.
35. Previous consultation provided some evidence to support an average distance of 2 to 3 miles per journey and empirical evidence obtained during the consultation in October and December 2011 and comments made by taxi

drivers to the Licensing Committee on 7 November 2013 also suggests that the average journey is between 2 and 3 miles.

36. This point is not in dispute and the value of 2.5 miles has been used for the average journey.

**The distance that should be used for calculations is shown in 37 above.**

**In respect of 2018 this is:**

**2.5 miles**

**This is shown as Item (J) on the Fares Calculator**

### **Average Number of Journeys**

37. The average number of journeys travelled by a taxi in Guildford can be calculated by dividing the average live mileage (4) by the average distance per journey (J).
38. 13,744 divided by 2.5 equals 5497.6 journeys.

**The number of journeys that should be used for calculations is shown in 39 above.**

**In respect of 2018 this is:**

**5497.6 Journeys**

**This is shown as Item (K) on the Fares Calculator**

### **Costs of Running Diesel Car**

39. The average costs of running a diesel car have been calculated without taking individual or differing business practices into account.
40. The AA calculates the running costs of a vehicle from various sources and quotes the figures as typical. However the figures do not represent all types of vehicle and conditions of use. The AA Motoring Costs 2014 are calculated on the purchase price of the car when new and fall into 5 brackets
- a. Up to £16,000
  - b. £16,000 to £22,000
  - c. £22,000 to £26,000

- d. £26,000 to £36,000
  - e. Over £36,000.
41. Guildford has a mixture of saloon and purpose built wheelchair accessible vehicles in the licensed taxi fleet and generally values of these vehicles when new fall between brackets (£22,000 to £26,000 and £26,000 to £36,000). Running costs vary considerably between each bracket and therefore the higher figure has been used to reflect the vehicles being used as taxis rather than purely for domestic use.
42. There are 204 Licensed taxis in 2017 within Guildford using the following fuel:
- a. Diesel (186)
  - b. Petrol (1)
  - c. Hybrid (17)
43. In view of the high number of diesel vehicles we consider it appropriate to use the motoring costs for a diesel vehicle rather than an average of the running costs for diesel and petrol cars. Figures are not available for hybrid vehicles. This follows the recommendation of the auditor to calculate costs using the actual number of vehicles by their fuel type.
44. **Adjustment for inflation:**

One of the main elements of challenge to the Judicial Review of the 2016 fares was that the AA data was out of date. The data used for the 2016 fares was the AA Running Costs 2014, published by the AA in July 2014. At the time using this data was not disadvantageous to the taxi trade as the ONS RPI Motoring Expenditure Costs Index had shown a sustained deflation of the cost of motoring between March 2014 to May 2016.

The AA has however ceased producing its annual "Running Costs" upon which the methodology is based. The 2018 consultation with the trade proposed calculating fares using the previously approved 2014 Figures, however adjusted for inflation using the ONS RPI Motoring Expenditure Costs Index. We consider this a reasonable approach. No comments from the trade were received about this adjustment.

**The costs associated with a vehicle in the bracket below should be used for calculations and adjusted for inflation using ONS RPI Motoring Expenditure Cost.**

**£26,000 to £36,000**

**This is included in item (B) on the Fares Calculator**

## Depreciation

45. Different vehicles lose value at different rates depending on their make, age, mileage and condition.
46. The AA figures assume depreciation over 4 years at £3373 per year. This is equal to £13492 at the end of 4 years.
47. It must be noted that 73.4 per cent of the licensed fleet are already over 4 years old. Therefore these vehicles have already depreciated beyond the level of the figures used and any depreciation beyond this point is not usually considered for accounting purposes.

**Depreciation associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£ 3551.24**

**This is included in item (B) on the Fares Calculator**

## Cost of Capital

48. This sum represents the loss of income from the owner having money tied up in a vehicle which could otherwise be earning money in a deposit account.
49. The purchase of vehicles is funded in different ways. Some vehicles are paid for with cash, some on Hire Purchase Finance, Some vehicles are leased. The decision on how to purchase or lease a vehicle is an individual decision for the proprietor and differing business practices have not been taken into account.

**Cost of capital associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£ 569.59**

**This is included in item (B) on the Fares Calculator**

## Annual Cost of Insurance



50. All insurance policies are different and some proprietors pay more than others depending on individual circumstances.

**Cost of insurance associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£ 632.76**

**This is shown as Item (B) on the Fares Calculator**

### **Additional Insurance Costs**

51. The Council acknowledges that additional insurance premiums may be incurred for the 'hire and reward' element of driving a taxi and the final calculation includes an additional £500 allowance for this purpose. This is shown as Item C on the Fares Calculator.

**Additional cost of insurance associated with hire and reward element should be used for calculations.**

**£500**

**This is shown as Item (C) on the Fares Calculator**

### **Cost of Road Tax**

52. For diesel vehicles this is based on cost of road tax associated with a vehicle in the £26,000 to £36,000.

**Cost of road tax associated with a vehicle in the £26,000 to £36,000 bracket adjusted with current tax brackets should be used for calculations.**

**£190**

**This is included in item (B) on the Fares Calculator**

### **Cost of Average Breakdown Cover**

53. The figure is based on the cost of annual roadside vehicle based cover, adjusted for inflation.

**Cost of breakdown cover associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£ 52.64**

**This is included in item (B) on the Fares Calculator**

### **The Average Cost of Fuel per Litre**

54. The figures used by the AA are based on the national average fuel cost. The latest figures available (published March 2018) show the average cost of diesel at 122.6 pence per litre
55. In addition to the cost of diesel (March 2018) an additional 5 pence per litre has been factored in to allow for any future changes upwards to 127.6 pence per litre. Figures were obtained the latest AA Fuel Price reports.

[http://www.theaa.com/motoring\\_advice/fuel/index.html](http://www.theaa.com/motoring_advice/fuel/index.html)

**Average cost of diesel associated with a vehicle in the £26,000 to £36,000 bracket should be used for calculations with an additional 5 pence per litre.**

**127.6 pence per litre**

**This is included in item (B) on the Fares**

### **Cost of Tyres**

56. Average tyre life is approximately 27,000 miles however the following calculations are based on the driver completing an annual average mileage of 24,989 miles.
57. Tyre prices are based on online tyre dealer prices and not main dealer prices which will inevitably be higher.
58. Cost per mile of is obtained from the AA running costs for a diesel vehicle in the £26,000 to £36,000 price bracket and is 2.02 pence per mile. Adjusted for inflation this works out at 2.13 pence per mile.

59.  $2.13p \times 24,989 \text{ miles} = \text{£}532.27$ .

**Average annual cost of tyres associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£532.27**

**This is included in item (B) on the Fares Calculator**

### **Service Labour Costs**

60. The Service Labour costs cover normal servicing and parts replacement taking UK average labour rates.
61. Cost per mile is obtained from the AA running costs for a diesel vehicle in the £26,000 to £36,000 price bracket and is 2.24 pence per mile. Adjusted for inflation this works out at 2.36 pence per mile.
62.  $2.36 \text{ multiplied by } 24,989 \text{ miles} = \text{£}589.74$

**Average service labour costs associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£589.74**

**This is included in item (B) on the Fares Calculator**

### **Replacement Parts**

63. Replacement parts items that may need to be replaced through normal driving conditions such as brake materials, oils, filters, bulbs, wipers etc.
64. Cost per mile of is obtained from the AA running costs for a diesel vehicle in the £26,000 to £36,000 price bracket and is 2.99 pence per mile. Adjusted for inflation this works out at 3.15 pence per mile.
65.  $3.15 \text{ multiplied by } 24,989 \text{ miles} = \text{£}787.15$ .



**Average replacement parts costs associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£787.15**

**This is included in item (B) on the Fares Calculator**

### **Parking and Tolls**

66. This figure could be excluded however a response to the consultation has indicated that parking charges are incurred when taking passengers to the airports.
67. Cost per mile of is obtained from the AA running costs for a diesel vehicle in the £26,000 to £36,000 price bracket and is 2 pence per mile. Adjusted for inflation this works out at 2.11 pence per mile.
68. 2.11 multiplied by 24,989 miles equals £527.27.

**Parking and toll costs associated with a vehicle in the £26,000 to £36,000 bracket adjusted for inflation should be used for calculations.**

**£527.27**

**This is included in item (B) on the Fares Calculator**

### **Other Factors**

69. Additional costs associated with running a taxi in Guildford are also included in the overall costs:
  - a. The annual vehicle licence fee 2017/18 applies to all vehicles. This (including two vehicle tests at £57) is currently £324.20 (Item D on the Calculator).
  - b. The tri-annual driver's licence fee (Item H on the Calculator). The total fee is £355.50 which is £118.5 per year (pro-rata).

- c. The cost of using Guildford Railway Station taxi rank (Item G on the Calculator). This is £1,038 per annum, however this cost is not incurred by all taxi drivers.
- d. The costs associated with the new Taxi and Private Hire Policy (Item I on the Calculator). These costs relate to the BTEC training requirement for all drivers and livery of hackney carriage vehicles.
  - i. Most providers charge a cost of £350 for the BTEC course. Drivers have until 2019 to obtain this qualification, hence it is proposed to contribute £117 per year towards the cost of the BTEC over the next 3 years.
  - ii. The cost of the livery will depend on the size of vehicle and the different rates of each provider. The average cost is £1250. Similarly a vehicle does not require a new livery and the cost incurred every year. Assuming that the cost of livery will be recovered over 5 years, which is the minimum period a vehicle could be licensed for (i.e. initially licensed at 5 years old until it is 10 years old), the annual contribution towards the cost of initially applying a new livery will be as follows:  
£1250 over 5 years equals a contribution of £250 per annum.
  - iii. It is acknowledged that there will be other costs associated with the livery requirement, such as maintenance or repairs resulting from accidents or general wear. Feedback received during the consultation on the Policy also demonstrated that it is important that the livery is removed when the vehicle ceases to be a licensed taxi. This would be a one off cost at the end of the vehicles life.  
These costs should be included in the calculator as follows:  
Contribution towards annual maintenance of the livery: £300 per year.  
Cost of removing livery £300 over 5 years equals £60 per year.
- e. The cost of providing a taxi roof sign and taxi meter. (Item I on the Calculator). All taxis have to be equipped with a roof sign and meter. There is a one off cost of supplying a roof sign and meter, and the meter has to be adjusted annually to the current tariff. This is a newly included cost for 2018 and was subject to consultation with the trade, however no comments were received. Discussion with meter agents indicates that a roof sign costs £100, and a meter £400. An annual tariff change costs £10. Over a 10 year life of a vehicle these this is a cost of £60 per year.
- f. Cost of Card Payment Device. In February 2018 the Council also introduced a requirement for all taxis to accept payment by credit/debit card. Research from card providers indicates that there is a fee of between 1 to 3% per transaction to provide the device, taken by the device provider. As such, on a typical £10 fare a fee of between 10p to 30p would be taken by device provider.

As a taxi can only charge in accordance with the Councils fixed table of fares and as legislation prohibits including additional card payment fees on prices, in order to recover this cost it must be included as part of the running costs.

Therefore, the total running costs (Item 3 in the calculator) can be uplifted in order to recover this cost.

The 2018 consultation indicated that the uplift could be 3%. No comments about this figure were received. Whilst this is the approximate cost of providing a device, some devices cost less and not all customers will pay by card. Furthermore, the taxi trade do not have to comply with this requirement until 1 April 2019 and as such it is disadvantageous to the public to include such a cost in 2018. Consequently the Head of Health and Community Care and Lead Member are unable to justify the full inclusion at this present time, as it is not yet a requirement. The figure will be reviewed as more vehicles become equipped with a device during 2018 and will be consulted upon during the 2019 review.

**Additional costs associated with operating a taxi in Guildford should be used for calculations.**

**Vehicle Licence and Test Fees £358.20**

This is included in item (D) on the Fares Calculator

**Driver's Vehicle Licence Fee £118.5**

This is included in item (H) on the Fares Calculator

**Railway Rank Fee £1,038**

This is included in item (G) on the Fares Calculator

**BTEC and Livery Cost £664**

This is included in item (I) on the Fares Calculator

**Cost of Card Payment Device**

This will included by uplifting the Total Running Cost item (3) on the Fares Calculator in 2019.

### Calculation of the Fare that should be Charged per Mile

70. Each of the factors outlined in this methodology are then used to calculate the average cost per mile of running a taxi in Guildford.
71. To calculate the average running costs:
  - a. Multiply the cost per mile of running a diesel car (Item B on the Calculator) by the annual average mileage of a Guildford taxi (Item E on the Calculator) and add
  - b. Items C, D, G, H and I
72. To calculate the total running costs (Item 3 on the Calculator) add the Annual salary (Item 1 on the Calculator) to the Average Running Costs (Item 2 on the Calculator).
73. To calculate the cost per mile (Item 5 on the Calculator) divide the total running costs (Item 3 on the Calculator) by the average live mileage total running costs (Item 4 on the Calculator)
74. The cost that should be charged per mile can then be calculated.
75. Each journey will include an initial fare that may be charged for any distance up to the 660 yards. This fare is called the "Flag Drop". Once the first 660 yards has been completed an amount may be charged for each 220 yards (eighth of a mile) or part thereof.
76. In order to prevent the flag drop artificially exaggerating the cost per mile, the fare that should be charged for each mile should also take the flag drop into account. To achieve that the following calculation should be used:
  - a. subtract the average number of journeys (Item K on the Calculator) multiplied by the 'flag drop' (Item T1 on the Calculator) from the total running costs (Item 3 on the Calculator) and then
  - b. divide this figure by the average live mileage (Item 4 on the Calculator) to give the Charge per mile (Item 6 on the Calculator) then
  - c. divide the charge per mile (Item 6 on the Calculator) by 8 and multiply by 100 to produce a figure in pence
  - d. This figure should then be rounded to the nearest 10 pence (Item 7 on the Calculator).
77. This figure should be multiplied by 5 and added to the Flag drop to obtain the value that may be charged for one mile.
78. Any subsequent miles (or part thereof) can be calculated by multiplying (Item 7 on the Calculator) by 8.

### Extras

79. In addition to the charge per mile, the existing extra charges of 50 pence for passenger in excess of two may be applied to each journey.
80. This will assist the larger vehicles which have a lower fuel economy. These vehicles are predominantly wheelchair accessible and this extra charge will provide an incentive for such vehicles to remain licensed.



**Paul Hughes**

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**From:** Taxi Licensing  
**Sent:** Friday 19 July 2019 14:45  
**To:** Taxi Licensing  
**Subject:** Survey – Your chance to comment on Waverley Borough Council Hackney Carriage (Taxi) Fares

To Waverley Taxi and Private Hire Drivers

1. Following recent requests, Waverley Borough Council is starting a review of its Hackney Carriage table of Fares. As part of the review Waverley will consider proposed changes submitted as part of this consultation. In addition, the Council will also be considering the approach taken by Guildford Borough Council– (referred to as ‘the Guildford methodology’). This approach has been scrutinised and supported by the High Court as a result of the case of R (Rostron) v Guildford Borough Council [2017] EWHC 3141 (Admin)

Via this survey

2. we would like we would like to seek the views of Taxi drivers regarding the current Hackney Carriage Fare Scale and on specific elements of the proposed approach. We are keen to ensure that evidence is made available to inform the decision making process and to ensure that there is a fair balance between the public interest and the interests of drivers. We would also like to gather any evidence in support of views expressed where this is available.
3. This survey covers :
  - dead mileage
  - insurance premiums
  - average journey distances
  - fuel costs
  - inflation measures
4. The Council are planning to submit any proposals to the Licensing (General Purposes) Sub Committee. That will be a public meeting and you may come along to hear the Sub-Committee’s discussion, or watch the meeting online.
5. Please complete and return the survey online, as soon as possible and **by 1<sup>st</sup> September 2019 at the latest**. If you have difficulties completing the form online either Email it to [taxi@waverley.gov.uk](mailto:taxi@waverley.gov.uk) or hand in to the Council Offices at the Bury’s Godalming, Surrey, GU7 1HR marking the envelope ‘Taxi Licensing Survey’.
6. The survey results will be considered by the Sub-Committee along with any other representations received and relevant evidence available.
7. If you have any other comments you would like to make separately please do so via [taxi@waverley.gov.uk](mailto:taxi@waverley.gov.uk). It would be helpful if you added the words ‘Taxi Licensing Survey’ in the title line as well as your name.
8. Complete the survey now - [survey link](#)

**Background**

1. Waverley Borough Council is minded to broadly use the Guildford methodology which provides a transparent process for calculating taxi fares and which was challenged and subsequently upheld by the High Court in 2017. The approach was based on the factors listed in the table below but some figures and factors may vary as they do not apply within the Waverley area (eg Waverley does not require livery for its licensed vehicles). Elements taken into account in the Guildford methodology are listed in the table at 3.
  
2. Waverley Borough Council has also received two requests for fare increases based on alternative methodologies:
  - a. £1.60 on a basic fare tariff to a total of £5 (proposal signed by 25 drivers); and
  - b. at least a 25 per cent increase in fares.
  
3. Elements taken account in Guildford methodology (those marked with an asterisk are not relevant to the situation currently in Waverley):

An allowance for an annual salary for the taxi driver
The average annual mileage of a licensed Guildford taxi
The amount of mileage without a fare paying passenger. This is referred to as the 'dead' mileage.
The amount of mileage with a fare paying passenger. This is the average live mileage
The average travelled for each fare paying journey
The average number of journeys travelled with a fare paying passenger in the taxi
Costs of running a diesel car in the £26,000 to £36,000 price bracket when new per mile.
Depreciation per annum
Cost of Capital
Annual cost of insurance
Additional insurance costs associated with the taxi trade
Cost of road tax
Average breakdown cover
The average cost of fuel per litre
Cost of tyres
Service labour costs
Replacement parts
Parking and tolls
Annual station rank fee
Cost of BTEC (over 3 years from 2016)*



Cost of livery (over 5 years)*
Annual maintenance of livery*
Cost of removing the livery (over 5 years)*
Cost of providing a roof sign and meter, and annual meter change (per year)

Why not complete the survey now - [survey link](#)

**Jill Govier-Blinder**  
**Licensing Administrator**  
Waverley Borough Council  
Tel: 01483 523559  
Email: [taxi@waverley.gov.uk](mailto:taxi@waverley.gov.uk)  
or  
[licensing@waverley.gov.uk](mailto:licensing@waverley.gov.uk)

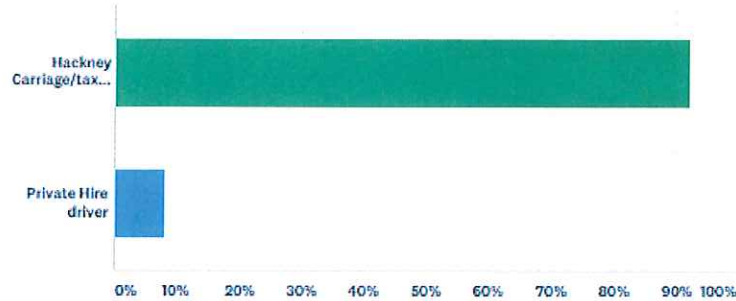
Working pattern: Wednesdays, Thursdays, Fridays



## Survey responses - Review of Waverley Borough Council Hackney Carriage (Taxi) fares

### Q1 Are you a:

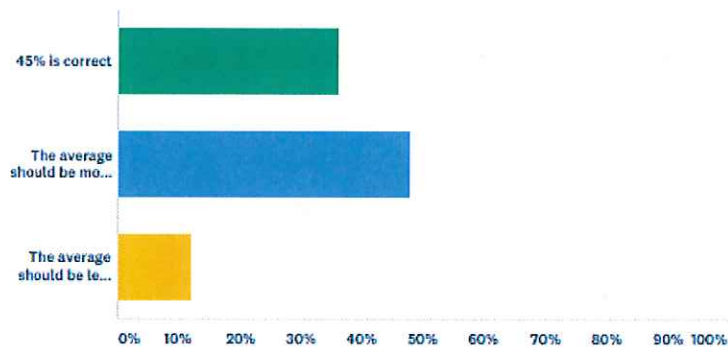
Answered: 25 Skipped: 0



ANSWER CHOICES	RESPONSES	
Hackney Carriage/taxi driver	92.00%	23
Private Hire driver	8.00%	2
Total Respondents: 25		

### Q2 Please provide your views for the average percentage of dead mileage for taxis operating in the Waverley area:

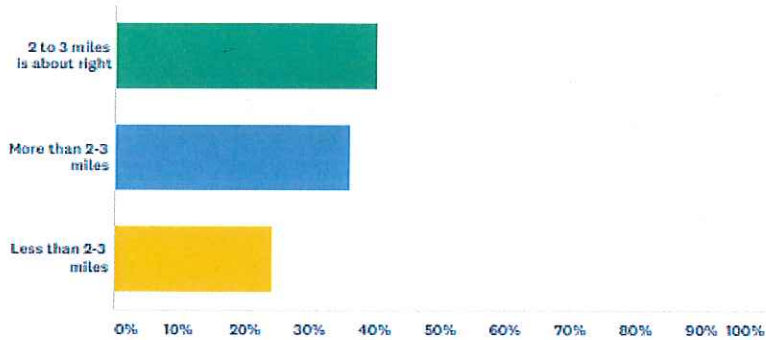
Answered: 25 Skipped: 0



ANSWER CHOICES	RESPONSES	
45% is correct	36.00%	9
The average should be more than 45%	48.00%	12
The average should be less than 45%	12.00%	3
TOTAL		25

**Q3 In your opinion, what is the average distance per fare paying journey for taxis operating in the Waverley area?**

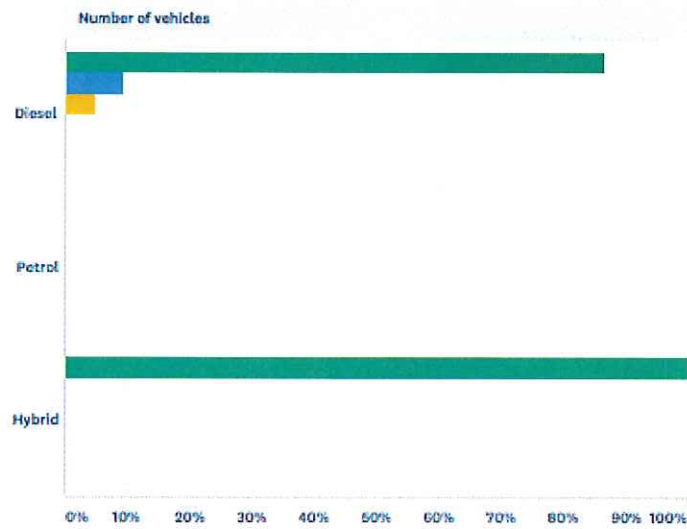
Answered: 25 Skipped: 0



ANSWER CHOICES	RESPONSES	
2 to 3 miles is about right	40.00%	10
More than 2-3 miles	36.00%	9
Less than 2-3 miles	24.00%	6
<b>TOTAL</b>		<b>25</b>

**Q4 Please indicate the fuel type for your taxi and select the number of cars you have with this fuel type (eg. 2 diesel, 1 hybrid)**

Answered: 24 Skipped: 1

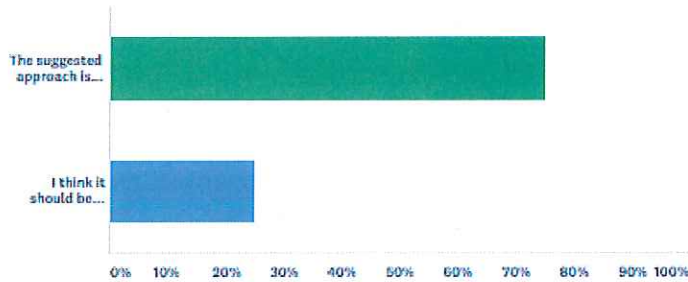


Legend: 1 (Green), 2 (Blue), 3 (Yellow), 4 (Cyan), 5 (Orange), More than 5 (Purple)

Number of vehicles	Number of vehicles						TOTAL
	1	2	3	4	5	MORE THAN 5	
Diesel	86.36%	9.09%	4.55%	0.00%	0.00%	0.00%	22
Petrol	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0
Hybrid	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2

**Q5 Please select according to your views on adjustment for inflation:**

Answered: 24 Skipped: 1

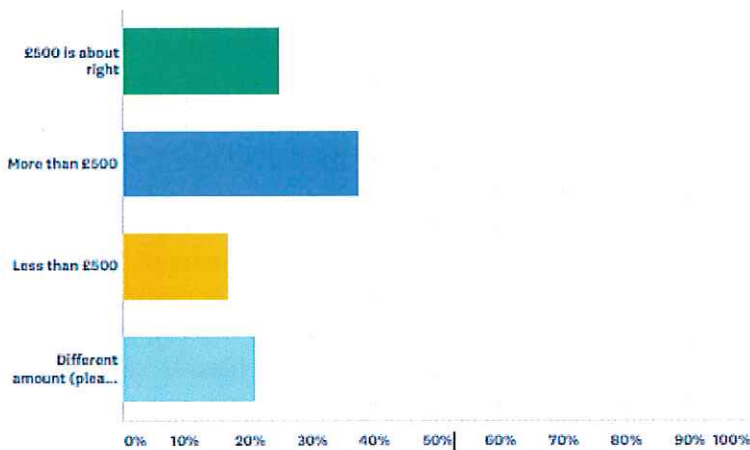


ANSWER CHOICES	RESPONSES	
The suggested approach is about right	75.00%	18
I think it should be different - see below	25.00%	6
<b>TOTAL</b>		<b>24</b>

Suggestions for different approaches	
1	fuel costs and other figures do not represent today's current prices
2	I think by putting up fares this much would do more harm than good and drive passengers away a smaller increase would help everyone
3	Rushmoor also has an index related scheme which would be worth comparing against. However the trade , on the whole should be able to propose increase and the council should act as the safety net to ensure they are reasonable
4	This doesn't account for additional costs we have like licensing, rank passes etc.

**Q6 Please indicate what level of additional insurance premiums you believe Waverley should use:**

Answered: 24 Skipped: 1



ANSWER CHOICES	RESPONSES	
£500 is about right	25.00%	6
More than £500	37.50%	9
Less than £500	16.67%	4
Different amount (please specify and provide reasons for this)	20.83%	5
<b>TOTAL</b>		<b>24</b>



**Q7** Do you have any comments on whether and to what extent this Tinting Policy leads to any additional costs? Please provide any evidence you can in support of your view:

Answered: 17 Skipped: 7

1	This is a ridiculous policy ! Most hybrids and top spec vehicles have std fitted tinting. Changing glass is very expensive.
2	Plenty. Ford Galaxy Titaniums and other luxury German cars have darker windows. If visibility is deemed acceptable by the manufacturers why should professional drivers have difficulty with it?!
3	Most large cars now come with tinting as standard and it is very difficult to find one without it and costs around £1500 to change it
4	Tinting policy should be manufacture spec only and drop the % part.
5	Having to buy a vehicle a without a tinted window is about to be impossible in the near future. It took about two months to find a vehicle without a tinted window and with automatic gearbox..etc. I know one of the drivers recently bought a car with tinted windows and had to pay nearly £1100 to replace the glass. Personally I'm not happy with that policy because is really not required for the job we do.
6	Tinting as long as it is manufacturing spec should be allowed, all high spec vehicles now nearly all come with this glass.
7	If you want the top of the range taxi you have to pay extra to remove tinted windows which cost £1800. This policy is not national and not needed.
8	I am looking to buy a new vehicle to carry disabled passengers however none of the manufacturers make cars with a minimum light transmission of 70 per cent which means the cost of replacing all the windows would be £5000 on top of the cost of the vehicle - as private hire can have tint ( due to exemption)I feel it should be the same for Hackney Carriage as we pick up exactly the same people.
9	No
10	should be left as comes from factory.
11	Nowadays all the spec cars comes with factory fitted tinted glasses so it costs a fortune to replace clear glasses.
12	i think you should allow us for tinting windows.
13	Most new cars have manufactured tinted windows these days it's getting hard to find cars without tinted windows these days
14	Tinting policy should be more lenient because..... .....most manufactured cars have more tint on rear windows than is allowed so making it harder and slightly more expensive to buy a used car due to limited availability. ....Waverley are one of the very few councils that even have the tint policy in place and it is my understanding that no reason has ever been given for it. So why?
15	The policy seems over the top. How many incidents are recorded where a lack of tint may have aided the indecent, how many incidents in Waverley have there been where a tint could play a factor? I think any manufacturer tint should be accepted as you cannot get some makes of vehicle without a tint nor can you the manufacturer or garage tell you the tint level. After market tints could be controlled and the driver could be required to bring in a letter of conformity from an aftermarket tint to confirm the level. I would suggest 35% VLT which matches the VW groups (passat, seat, audi, vw level of tints
16	Most new vehicles (eg Ford Galaxy) have tinted windows as standard and clear glass is not an available option. These tinted windows may not conform to Waverley light transmission values, hence great difficulties in finding suitable vehicles that comply with the regulations.
17	This is a ridiculous policy ! Most hybrids and top spec vehicles have std fitted tinting. Changing glass is very expensive.

Q8	Are there other factors that Waverley Borough Council should be aware of in terms of its policy or geography, or any other costs or factors that it should include or exclude from its fares review? Please provide details below:	Suggestions and evidence in support of this
1	Rural rates	A pick up 4 miles from Haslemere station and onto a sideways destination is not worth doing if the meter is only put on as the passenger gets in. There should be a running cost rate for these distances to reach the customer.
2	We haven't had an increase since 2011. That's 8 years. Over the last 10 years the rate of inflation has gone up 19.51%. So to account for that pull off should be at least £4.00 maybe even £4.10 and each additional should be .25p	National Statistics
3	Customers view on Tinting should be included	Disable customer that travels with me will provide a letter supporting tinted windows
4	office cost have not been included. Taxi driver pay 20% of the fare to the taxi companys they work for. This allows officie to pay for telephone switches, premises and staff.	need to add this to any indexes used to calculate driver earnings
5	Taxi ranks need to be clearly marked	Ranks are insufficient and poorly signposted for the public
6	There are a lot of hills around Waverley which causes higher fuel bills and running costs	
7	Unlicensed cars	Despite frequent information given to you there are still unlicensed cars competing with us
8	Being visible when travelling in the back through ( non tinted windows)	That the ruling on tinting should be equal and the customers should be given an opinion as my disable customers do not want to be visible when travelling especially as all other councils are not inflicting this tinting rule.
9	Licence numbers	At what point do you have enough taxis on the roads. And why should drivers from London and Croydon be given one?
10	Public Parking on taxi ranks	All too frequently the ranks are occupied by the general public parking vehicles on the ranks, preventing taxis from using the ranks. This is a continuing problem in Cranleigh



If you have any other comments about taxi fares, please add them here:

1	Haslemere drivers charge from the station now as the rates are so low. The £3.40 current rate is a joke and means people take very short rides for less than the cost of a pint. Phone requests for short trips are therefore ignored by Haslemere drivers and companies. Waiting an hour for one of these trips is soul destroying and means we now need to work 12-16 hours a day , 6 days a week to make a decent living. Worth bearing in mind also we get no paid holidays nor additional pensions.
2	Taxi fares need to move with inflation as the cost of fuel has tripled over this year so I feel we should have taxi fares that match that cost increase.
3	if you follow Guildfords lead and lower fares it will have a negative impact on the trade. driver need to earn a living. If fares are lowered driver need to either increase the number of trips they take or reduce costs. To increase trips driver will increase the hours they work which has major safety implication as driver already work long hours. The other option is to reduce maintenance cost on the vehicle, this also has safety concerns.
4	Present fares are adequate. No need to change.
5	Any taxi journey should be a minimum of £5.00
6	it has been nearly 11 years since a distance increase which is just not sustainable, how many wage increases have waverly employees had in this tim aND THE COST TO TAXI DRIVERS GOES UP EVERY YEAR
7	I think you should increase taxi fare because sometimes we are writing quite long time for the job and also sometime after 1 hr job for £3.40p. mostly jobs like £3.40 or £4.00p. can you please help us.
8	Think taxi fares are pretty fare for the area we live in
9	The basic fare rate needs to be higher
10	Last time increase about taxi fares over 7,8 years ago as you know everyear everything going up(bills,council tax,car maintenance coast e.t.c)and also we have got family we have to look after them please when you make a decision please take these into account.
11	Present fares are adequate. No need to change.



## WAVERLEY BOROUGH COUNCIL

### MINUTES OF THE LICENSING (GENERAL PURPOSES) SUB-COMMITTEE - 17 JUNE 2019

SUBMITTED TO THE COUNCIL MEETING – 16 JULY 2019

(To be read in conjunction with the Agenda for the Meeting)

#### **Present**

Cllr Peter Clark  
Cllr Martin D'Arcy  
Cllr Robert Knowles

Cllr Jack Lee  
Cllr Ruth Reed

#### **Apologies**

#### **Also Present**

34. APPOINTMENT OF CHAIRMAN (Agenda item 1.)

The Committee confirmed the appointment of Cllr Robert Knowles as Chairman of the Licensing (General Purposes) Sub-Committee for the Council Year 2019/20.

35. APPOINTMENT OF VICE-CHAIRMAN (Agenda item 2.)

The Committee confirmed the appointment of Cllr Peter Clark as Vice Chairman of the Licensing (General Purposes) Sub-Committee for the Council Year 2019/20.

36. MINUTES (Agenda item 3.)

The Committee confirmed the minutes of the last meeting of the Sub-Committee which took place on 12 November 2018.

37. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS (Agenda item 4.)

The were no apologies for absence and no substitutions required.

38. DECLARATIONS OF INTEREST (Agenda item 5.)

There were no declarations of interest made regarding the items on the agenda.

39. EXCLUSION OF PRESS AND PUBLIC (Agenda item 6.)

At 10:20 it was Resolved that

Pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during

consideration of the following items on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in paragraph 1 of the revised Part 1 of Schedule 12A to the Act in respect of the following item:

Information relating to any individual (paragraph 1)

40. REVIEW OF HACKNEY CARRIAGE DRIVER'S LICENCE 1 (Agenda item 7.)

The Sub-Committee considered a report regarding a review of a Hackney Carriage/Private Hire Licence with the addition of the police witness statement which had been received after Agenda dispatch.

The driver was in attendance at the meeting and confirmed that he had read and understood the papers that he had received which had been delivered and emailed to the driver. Members asked questions of the driver and what led to the matters referred to in the exempt report. The driver responded to the questions and apologised for his behaviour.

The Sub-Committee withdrew at 10.48am to consider whether or not the driver should retain his Hackney Carriage drivers licence. Following the Sub-Committee's deliberation the meeting resumed at 11.52am. The Council's solicitor had been asked to advise the Sub-Committee during their deliberations on the wording of their decision. The driver was present for the conclusion but left midway through the response. He was advised that he would receive it in the post/email within 3 days.

RESOLVED that the driver was not a fit and proper person to hold a Hackney Carriage/Private Hire license and revoked it for the reasons as noted in the exempt annexe.

41. REVIEW OF HACKNEY CARRIAGE DRIVER'S LICENCE 2 (Agenda item 8.)

The Sub-Committee agreed to defer this item at the request of the driver. He was advised a new date and time would be booked.

42. LEGAL ADVICE (Agenda item 9.)

To consider any legal advice relating to any items in the agenda.

**The meeting commenced at 10.15 am and concluded at 12.05 pm**

**Chairman**

## WAVERLEY BOROUGH COUNCIL

### MINUTES OF THE LICENSING (GENERAL PURPOSES) SUB-COMMITTEE - 1 JULY 2019

SUBMITTED TO THE COUNCIL MEETING - <DATE>

(To be read in conjunction with the Agenda for the Meeting)

#### **Present**

Cllr Robert Knowles (Chairman)  
Cllr Peter Clark (Vice Chairman)  
Cllr Martin D'Arcy

Cllr Jack Lee  
Cllr Ruth Reed

#### **Apologies**

#### **Also Present**

Daniel Bainbridge – Borough Solicitor and Deputy Monitoring Officer  
Paul Hughes – Licensing and Environmental Enforcement Officer

43. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS (Agenda item 1.)

There were no apologies for absence and no substitutions required.

44. DECLARATIONS OF INTEREST (Agenda item 2.)

There were no declarations of interest made regarding the items on the agenda.

45. EXCLUSION OF PRESS AND PUBLIC (Agenda item 3.)

At 10:10 it was Resolved that

Pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in paragraph 1 of the revised Part 1 of Schedule 12A to the Act in respect of the following item:

Information relating to any individual (paragraph 1)

46. REVIEW OF HACKNEY CARRIAGE DRIVER'S LICENCE (Agenda item 4.)

The Sub-Committee considered a report regarding a review of a Hackney Carriage/Private Hire Licence submitted to the meeting of 17/06/2019 but deferred at the request of the driver and rescheduled to this meeting.

The driver was not in attendance and had not provided any apologies or request to defer. Following contact by the Licensing Manager it was established the driver was currently out of the country, therefore, taking into consideration the circumstances the Sub-Committee agreed to hear the case in his absence.

The Sub-Committee considered what sanctions should be imposed and at 10:34am agreed on their decision. The Council's solicitor had been asked to advise the Sub-Committee during their deliberations on the wording of their decision. The driver was absent but would receive a copy of the decision in the post/email within 3 days.

RESOLVED that the driver would have his licence suspended for a period of 28 day with a condition that he must attend the offices and go through a refresher session on the rules and regulations of being a licenced driver and take a test on his understanding. His licence would not be returned until such time as both the suspension period and condition has been met, whichever is the later date.

47. LEGAL ADVICE (Agenda item 5.)

To consider any legal advice relating to any items on this agenda.

**The meeting commenced at 10.00 am and concluded at 10.36 am**

**Chairman**