

WAVERLEY BOROUGH COUNCIL

LICENSING REGULATORY COMMITTEE – 23 SEPTEMBER 2019

Title:

HACKNEY CARRIAGE TARIFF FARE SCALES – REVIEW

[Wards Affected: All]

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.

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.

- 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)

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

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

PROPOSAL - 2019

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

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

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

District/Borough	Position 1 to 362	Cost 2 mile Journey
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
Waverley	126	£6.20
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

CONTACT OFFICER:

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

E-mail: paul.hughes@waverley.gov.uk