

CARLISLE CITY COUNCIL

Report to:- **The Chairman and Members of the Regulatory Panel**

Date of Meeting:- 14th September 2011

Agenda Item No:-

Public	Operational	Delegated: Yes
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Accompanying Comments and Statements	Required	Included
Cumbria Fire Service	No	No
Cumbria Constabulary	No	No
Environmental Services	No	No

Title:- **HACKNEY CARRIAGE FARES REVIEW**

Report of:- **ASSISTANT DIRECTOR (GOVERNANCE)**

Report reference:- **GD.54/11**

Summary:-

The members are asked to consider a recommendation for an increase in Hackney Carriage fares for the period October 2011 until September 2012. The Panel last reviewed the tariff on the 9th of September 2010.

Recommendation:-

Members are requested to approve the recommendation outlined on page 3 of the report.

J A Messenger
Licensing Manager

CITY OF CARLISLE

To: The Chairman and Members of the Regulatory Panel 14th September 2011

HACKNEY CARRIAGE FARES REVIEW

1. HISTORY

- 1.1 On the 25th of August 2010 The Regulatory Panel reviewed the Hackney Carriage Tariff. As the retail price index in relation to transport costs had risen by 4.64% the members agreed an increase of 20p on the flagfall which represented a 4.1% increase on a standard 2 mile journey. This increase came into force on the 6th of October 2010.
- 1.2 It is now the practice for the Licensing Manager to bring a report to the Regulatory Panel each year rather than wait for an application from the trade.

2 LEGISLATION

- 2.1 The local authority's power to set hackney carriage tariffs is contained in Section 65 of The Local Government (Miscellaneous Provisions) Act 1976

3. INFLATION

- 3.1 The Council's Financial Services have produced the changes in the RPI to the identified criteria for transport costs since the last increase. These changes have been multiplied by the "weighting" agreed with the Taxi Associations previously and an overall increase of **5.93%** in transport costs has been identified. **See Appendix 1.**
- 3.2 Inflation overall has risen by 5%

4 SURVEY

- 4.1 All hackney carriage proprietors (vehicle owners) have been written to and asked if they felt that an increase in the tariff was warranted and if so how did they want any increase apportioned, either on flagfall or on the mileage.
- 4.2 The results of the survey was :-

No increase	36 votes	17%
30p on flagfall	50 votes	24%
20p on flagfall	19 votes	9%
10p on flagfall	5 votes	3%
Mileage increase	27 votes	13%
Did not reply	104votes	34%

- 4.3 A 30p increase on flagfall would equate to a 5.9% increase in the 2 mile standard journey but only a 1.4% increase on a 10 mile journey to Longtown. With fuel having increased by 14% over the last year a straight increase on flagfall is not felt to be the fairest way to apportion any increase.
- 4.4 Approximately half of the taxi owners who replied have indicated that they don't want an increase or would prefer any increase to be put onto the mileage.. The other half would prefer the 6%, or a lesser amount, to go onto the flagfall. Because of this a 3-4% increase on both short and long journeys is recommended.
- 4.5 If the flagfall is increased by 20p to £2.70p and the incremental "clicks" are reduced from 176yds to 170yds the fare for a 2 mile journey will rise by 3.9% and the fare for a 10 mile journey (Longtown) will rise by 3.8%.

5 CUMBRIA COMPARISON

- 5.1 If the increase as proposed is granted, Carlisle would be ranked 2nd highest of the 6 Cumbrian Councils on the benchmark 2 mile journey.

District of Cumbria	Charge for 2 Miles £	2 Miles Ranking 1=Highest	Date Reviewed
Copeland	4.60	5	April 2011
Barrow	4.60	5	April 2008
Allerdale	4.85	4	June 2010
Eden	5.50	1	Aug 2011
South Lakes	5.00	3	May 2010
Carlisle	5.30	2	Oct 2011

6 RECOMMENDATIONS

- 6.1 Members are asked to consider increasing the flagfall by 20p from £2.50 to £2.70 for the first 0.7 of a mile and to decrease the 20p increments from 176yds to 170yds.. **See Table of Fares Appendix 2**
- 6.2 If the revised tariff were to be accepted then the implementation date, after advertising the changes in the local press, would be as follows
- (a) If no objections are received, or are subsequently withdrawn by the closing date of 30th September 2011, the new tariff will apply from the 6th of October 2011

(b) Any objections will be heard by the Regulatory Panel on the 19th of October 2011 and the table of fares shall come into force, with or without modification, on the 24th of October 2011.

Prepared by B J Sharrock
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