

To: General Purposes Licensing Committee

Date: 17th October 2012 **Item No:**

Report of: Head of Environmental Development

Title of Report: Hackney Carriage Tariff – Application for Increase

Summary and Recommendations

Purpose of report: To consider a request for a Hackney Carriage Tariff increase from the City of Oxford Licensed Taxicab Association (COLTA)

Report Approved by:

Finance: Paul Swaffield

Legal: Daniel Smith

Policy Framework: Vibrant Sustainable Economy

Recommendation(s):

Committee is requested to:

- i) consider the request from the City of Oxford Licensed Taxicab Association for an increase in the Hackney Carriage tariff in accordance with the information contained within this report; and subject to this decision
- ii) request that the Head of Environmental Development and the Head of Law and Governance carry out the statutory requirement of a public consultation.

Introduction

1. Under section 65 of the Local Government (Miscellaneous Provisions) Act 1976 a Local Authority may set the fares for Hackney Carriages within its district.

Background

2. The City of Oxford Licensed Taxicab Association (COLTA) has applied for a variation in the Hackney Carriage tariff to commence from the 10th December 2012. The request from the Secretary of COLTA is attached at **Appendix One**.

3. COLTA has provided information from the journal "Private Hire Monthly" highlighting the average national fare for a 2 mile journey set at tariff 1, and compared that to the current local tariff and their proposed tariff increase. In the July 2012 issue of the "Private Hire Monthly" Oxford City Council were placed 126th most expensive authority out of 363 authorities for the fare price of a 2 mile journey on tariff 1.
4. In brief COLTA has requested that :-
 - **Tariff 1** the flag full will increase from £2.45 to £2.50
 - **Tariff 1 & 3** waiting time decreased from 20.3 seconds to 20 seconds
 - **Tariff 2** waiting time increased from 18.9 seconds to 19 seconds
 - **Tariff 1 & 3** distance of first flag fall to be reduced from 80 metres to 70 metres. Subsequent metres increased from 1600 to 1610 metres, then decreased from 125 metres to 110 metres
 - **Tariff 2** distance of first flag fall to be reduced from 53 metres to 47 metres. Subsequent metres decreased from 2120 to 2115 metres, then decreased from 130 metres to 110 metres.
5. The Committee should be aware that the last tariff increase was on the 10th January 2011. Attached at **Appendix Two** is the current tariff chart, and the new proposed tariff chart is attached at **Appendix Three**.
6. If the Committee agree to COLTA's request for a tariff increase a Public Notice shall be required to be placed in a local newspaper, detailing the proposed tariffs, and a period of 14 days shall commence for a public consultation.
7. COLTA has also requested that the Committee give consideration to the placement of a notice in all Hackney Carriage vehicles stating that any fare that ends outside the City boundary shall be charged on the metre at tariff 3. A copy of this request is attached at **Appendix Four**.
8. The currently applied regulation as to fares that terminate outside of the City boundary is detailed below (and can be found displayed on the current tariff chart that is displayed in all licensed Hackney Carriage vehicles, and can be found within the Hackney Carriage and Private Hire Vehicle Application Packs and detailed on the Council website):
 - **The driver does not have to accept journeys that end outside the City of Oxford boundary; the fare or rate of fare must be by agreement between the hirer and driver before the journey commences. The fare is likely to be higher than within the City as drivers cannot accept a return hiring. Where no such**

9. The Licensing Authority occasionally receives complaints from members of the public who claim not to be aware of the above regulation, and have perceived that the driver of a Hackney Carriage has either overcharged them for a fare, or has refused to use a metre and quoted a price for the intended journey.
10. The general public appear not to realise that if a journey does not end within the City boundary the driver can legitimately refuse the fare or can negotiate a fare; or that the driver cannot ply for hire until the vehicle has returned to within the City boundary.

Legal Considerations

11. The charging of Hackney Carriage fares and payment are governed by a number of different legislation
 - Local Government (Miscellaneous Provisions) Act 1976 Section 65 to set the fare and 65(5) within the district to charge more than the fare shown on the meter
 - Town Police Clauses Act 1847 Section 54 allows agreement to be made in advance of the hiring that a sum less than that shown on the meter at the end of the hiring will be paid
 - Local Government (Miscellaneous Provisions) Act 1976 Section 66 prohibits any demand of a fare greater than that shown on the meter for hiring's which end outside the district, unless an agreement to pay more than the metered fare has been made in advance of the journey.
12. The Committee may take a view that the request from COLTA to set a fare at tariff 3 for journeys that end outside of the City boundary is a reasonable one, however, Members are reminded of the comments made in this report at paragraphs 8 to 10 and that they may take a view that improved communications between the driver and any potential passengers would result in fewer misunderstandings as to what the current regulation states,

Financial Considerations

13. There are no financial implications to a tariff increase as a portion of the Hackney Carriage licence fee is to pay for any costs involved.

Recommendations

14. The Committee is recommended:

- i) to consider the request from the City of Oxford Licensed Taxicab Association for an increase in the Hackney Carriage tariff in accordance with the information contained within this report; and subject to this decision
- ii) to request that the Head of Environmental Development and the Head of Law and Governance carry out the statutory requirement of a public consultation.

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Appendix One : Request from COLTA for tariff increase

Appendix Two : Current tariff chart

Appendix Three : Proposed new tariff chart

Appendix Four : Request from COLTA for notice in Hackney Carriages

Version number: 1

COLTA Fare Increase Report July 2012

Introduction

This report will provide an overview for the formal request of a fare increase rise for COLTA. The fare increase has not happened for a period of approximately eighteen months. This has been due to variety of Socio and Economic factors that have culminated in a stall in the rate of fare increase and contributory factors concerning the day to day running of a licensed hackney carriage in Oxford.

The report will also include a schedule of increases in line with National inflationary and cost of living derivatives. An attached pro-forma for the increases will explain the requested rate increase and breakdown of how these figures were achieved.

Overview

COLTA are requesting the fare increase in line with the rate of inflation over the past 18 months and then an additional six months . So in short two and a half increases breaks down in terms of 1 increase per year as of 2009- 2012, then an additional increase for a further 6 month period from 2012- mid 2013. This 2.5 figure reflects a hike in the inflation rate over the past two years whereby there has been no fare increase for COLTA.

Rational

In the middle of 2008 record high oil prices were driving up transport costs etc, feeding through into the prices of products in the shops and contributing to higher household energy bills. Food prices were also rising fast. This has been blamed on oil price rises, which make commodities such as fuel more expensive but also due to the drought, rising demand from emerging economies and land being used for such resources such as biofuel. A fall in the value of sterling also forced up the cost of imported goods.

By early 2009 the price of crude oil had slumped losing two thirds of its value in just six months. The global recession had taken hold and this caused an array of fiscal, monetary and household expenditure issues.

The RPI measure which includes housing costs was negative because successive cuts in interest rates meant lower monthly mortgage repayments for many. The overall residing factor here however is that the inflation rates were short lived. VAT went back up to 17.5% and then at the beginning of 2010 went up to 20% the following year. As one can see, a very sharp hike for the cost of living in a 6-9 month period.

It was fairly evident for the British population especially in a City such as Oxford that big rises were coming along. Low and behold gas, electricity, oil, and other fuels shot up in price. Food and transport costs including the running of vehicle soared as a result. This quite simply meant that by September 2011 the RPI rose to 5.6% the highest annual rate since June 1991.

Spending Power for the British Public 2009-2012

The changes in the inflation rate over the past couple of years reflects periods when prices have been rising by different amounts. Prices have been going up consistently so even during periods when the inflation rate was falling prices were still going up.

This meant that for households wage growth was well below the rate of inflation for the past four years which equates to the buying power for families has dwindled as the money that comes in will not be able to buy that much.

Since 2007 increases in VAT , import prices and energy prices have together pushed up price levels by up to 15%. This has choked real wages and this will culminate in the longest period whereby real wage levels have failed to rise since the 1920's.

COLTA Fare Rise Request

This report has tried to raise the plight of the Global economy which will affect the Eurozone and then on a National and ultimately Local Level. Factors that have come to light since the recession and indeed we are still in a third negative growth period, means that real wages and cost of living is being squeezed.

We are facing more austerity measures as well as other economies crashing and costs rising further. Therefore we are requesting the following fare increase to help us keep up with the CPI and RPI increases over the past two years. Please find proposed increase below. (The National Average Fare at July 2012 taken from the Private Hire Monthly Magazine).

	Average	Oxford 2011/12	Oxford 2013
Flag fall on Tariff 1	£2.65	£2.45	£2.50
Flag fall on Tariff 2	£3.53	£2.50	£2.50
1 mile fare on Tariff 1	£3.63	£4.38	£4.70
1 mile fare on Tariff 2	£4.80	£5.46	£5.85
2 mile fare on Tariff 1	£5.42	£5.68	£6.18
2 mile fare on Tariff 2	£7.16	£7.27	£7.93
5 mile fare on Tariff 1	£10.81	£9.58	£10.62
5 mile fare on Tariff 2	£14.50	£11.17	£12.37
10 mile fare on Tariff 1	£19.81	£16.08	£18.02
10 mile fare on Tariff 2	£25.97	£17.67	£19.77
Running mile on Tariff 1	£1.79	£1.30	£1.48
Running mile on Tariff 2	£2.34	£1.25	£1.48
Running mile on Tariff 3	£2.69	£1.95	£2.22

The running mile in Oxford on Tariff 1 will still be 17% less than the national average.
 The running mile in Oxford on Tariff 2 will still be 37% less than the national average.

Tariff 1 % increase at 1 mile = 7.5% At 2 miles = 8.5%

Tariff 2 % increase at 1 mile = 7% At 2 miles = 9.0%

Tariff 1.	The first 70m	£2-50
	Each 70m to 1610m	£0-10
	Then each 110m	£0-10
	Waiting time 20sec	£0-10
Tariff 2	The first 47m	£2-50
	Each 47m to 2115m	£0-10
	Then each 110m	£0-10
	Waiting time 19sec	£0-10
Tariff 3	The first 70m	£2-80
	Each 70m to 1610m	£0-15
	Then each 110m	£0-15
	Waiting time 20sec	£0-15

The last time that an increase in meter price was given on journey distance was in January 2009 when diesel was 98.7 ppl (from the AA web site) it now costs 137.9 ppl a rise of 38.2 ppl. Or £1-74.9 per gallon.

Insurance has gone up 100%

Servicing costs for a purpose built taxi work out at - £16-00 per 1000 miles

Tyres cost - £13-00 per 1000 miles

MAXIMUM FARES set by OXFORD CITY COUNCIL for licensed taxi-cabs. OPERATIVE FROM XXXXXX

The driver must, unless he has reasonable excuse, accept any hiring within the City of Oxford boundary if the destination is also within the City of Oxford boundary. The fare for such a journey, shown below, will be calculated by the taxi meter.

The driver does **not have to accept journeys** that end **outside the City of Oxford** boundary; the fare or rate of fare **must be by agreement** between the hirer and driver before the journey commences. The fare is likely to be higher than within the City as drivers cannot accept a return hiring. **Where no such agreement exists then the scale of charges applicable to journeys within the City shown below will apply.**

FARES FOR DISTANCE TRAVELLED & TIME

TARIFF 1 06.00 -22.00 Monday to Saturday	For the first 70 metres or part thereof	£2.50
	each subsequent 70 metres or part thereof until 1610 metres	£0.10
	each subsequent 110 metres or part thereof	£0.10

WAITING TIME For each period of 20 seconds or part thereof	£0.10	For each trunk carried	£1.00
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TARIFF 2 22.00 - 06.00 Monday to Saturday all day Sunday All Public Holidays (except Tariff 3) from 00.01 until 06.00 the following day	For the first 47 metres or part thereof	£2.50
	each subsequent 47 metres or part thereof until 2115 metres	£0.10
	each subsequent 110 metres or part thereof	£0.10

WAITING TIME For each period of 19 seconds or part thereof	£0.10	For each trunk carried	£1.00
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TARIFF 3 Christmas From 20.00 24 th Dec Until 06.00 27 th Dec New Year From 20.00 31 st Dec Until 06.00 2 nd Jan	For the first 70 metres or part thereof	£2.80
	each subsequent 70 metres or part thereof until 1610 metres	£0.15
	each subsequent 110metres or part thereof	£0.15

WAITING TIME For each period of 20 seconds or part thereof	£0.15	For each trunk carried	£1.50
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For each passenger in excess of one	£0.20
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For each article of baggage carried outside the passenger compartment of the cab	£0.10
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For each adult pedal cycle carried (except folding)	£1.00
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For each wheeled vehicle carried (except mobility impaired persons vehicle)	£0.10
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PAYMENT by cheque credit card or debit card	£0.50
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SOILAGE CHARGE * To cover cleaning and loss of income, where the interior of the vehicle is soiled due to the excessive consumption of alcohol etc. or by the carriage of an animal, excluding guide dogs.	£30.0
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Complaints about the cab or driver should be sent immediately **PREFERABLY IN WRITING or E mail** to the Oxford City Council, Taxi Licensing, 10 St. Ebbes Street, OXFORD. OX1 1PT. (taxilicensing@oxford.gov.uk) quoting the large vehicle identification number shown on the rear side windows of the vehicle or licence plate

Complaints can also be notified by telephone on 01865 252115

5% increase Tariff One

Flag fall distance = 76 metres

Incremental changes 76 to 1596 metres = 76 metres

Incremental changes from 1596 metres = 114 metres

£2.45
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1596 metres		From 1596 metres		Up to 1672 metres	From 1672 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter					
0.50	805	9.59	10			1.00	0.00	3.45	3.45	0.00
1.00	1619	20.00	20	0.20	1	2.00	0.10	4.55	4.45	2.25
1.50	2414	20.00	20	7.18	8	2.00	0.80	5.25	5.05	3.96
2.00	3219	20.00	20	14.24	15	2.00	1.50	5.95	5.65	5.31
2.50	4023	20.00	20	21.29	22	2.00	2.20	6.65	6.35	4.72
3.00	4828	20.00	20	28.35	27	2.00	2.70	7.15	6.95	2.88
3.50	5633	20.00	20	35.41	36	2.00	3.60	8.05	7.65	5.23
4.00	6437	20.00	20	42.46	43	2.00	4.30	8.75	8.25	6.06
4.50	7242	20.00	20	49.53	50	2.00	5.00	9.45	8.95	5.59
5.00	8047	20.00	20	56.59	57	2.00	5.70	10.15	9.55	6.28
									Average	4.23

6% increase Tariff One

Flag fall distance = 75 metres

Incremental changes 75 to 1650 metres = 75 metres

Incremental changes from 1650 metres = 114 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1650 metres		From 1650 metres		Up to 1650 metres	From 1650 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter					
0.50	805	9.73	10			1.00	0.00	3.50	3.45	1.45
1.00	1619	20.59	21	0.27	1	2.10	0.10	4.70	4.45	5.62
1.50	2414	21.00	21	6.70	7	2.10	0.70	5.30	5.05	4.95
2.00	3219	21.00	21	13.76	14	2.10	1.40	6.00	5.65	6.19
2.50	4023	21.00	21	20.82	21	2.10	2.10	6.70	6.35	5.51
3.00	4828	21.00	21	27.88	28	2.10	2.80	7.40	6.95	6.47
3.50	5633	21.00	21	34.94	35	2.10	3.50	8.10	7.65	5.88
4.00	6437	21.00	21	41.99	42	2.10	4.20	8.80	8.25	6.67
4.50	7242	21.00	21	49.05	50	2.10	5.00	9.60	8.95	7.26
5.00	8047	21.00	21	56.11	57	2.10	5.70	10.30	9.55	7.85
									Average	5.79

7% increase Tariff One

Flag fall distance = 74 metres

Incremental changes 74 to 1702 metres = 74 metres

Incremental changes from 1702 metres = 114 metres

£2.45
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1702 metres		From 1702 metres		Flag Fall	Up to 1702 metres	From 1702 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	9.88	10			£2.45	1.00	0.00	3.45	3.45	0.00
1.00	1619	20.88	21			£2.45	2.10	0.00	4.55	4.45	2.25
1.50	2414	22.00	22	6.25	7	£2.45	2.20	0.70	5.35	5.05	5.94
2.00	3219	22.00	22	13.31	14	£2.45	2.20	1.40	6.05	5.65	7.08
2.50	4023	22.00	22	20.36	21	£2.45	2.20	2.10	6.75	6.35	6.30
3.00	4828	22.00	22	27.42	28	£2.45	2.20	2.80	7.45	6.95	7.19
3.50	5633	22.00	22	34.48	35	£2.45	2.20	3.50	8.15	7.65	6.54
4.00	6437	22.00	22	41.54	42	£2.45	2.20	4.20	8.85	8.25	7.27
4.50	7242	22.00	22	48.60	49	£2.45	2.20	4.90	9.55	8.95	6.70
5.00	8047	22.00	22	55.66	56	£2.45	2.20	5.60	10.25	9.55	7.33
										Average	5.66

8% increase Tariff One

Flag fall distance = 73 metres

Incremental changes 73 to 1679 metres = 73 metres

Incremental changes from 1679 metres = 114 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1679 metres		From 1679 metres		Flag Fall	Up to 1679 metres	From 1679 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	10.03	11			£2.50	1.10	0.00	3.60	3.45	4.35
1.00	1619	21.18	21			£2.50	2.10	0.00	4.60	4.45	3.37
1.50	2414	22.00	22	6.45	7	£2.50	2.20	0.70	5.40	5.05	6.93
2.00	3219	22.00	22	13.51	14	£2.50	2.20	1.40	6.10	5.65	7.96
2.50	4023	22.00	22	20.56	21	£2.50	2.20	2.10	6.80	6.35	7.09
3.00	4828	22.00	22	27.62	28	£2.50	2.20	2.80	7.50	6.95	7.91
3.50	5633	22.00	22	34.68	35	£2.50	2.20	3.50	8.20	7.65	7.19
4.00	6437	22.00	22	41.74	42	£2.50	2.20	4.20	8.90	8.25	7.88
4.50	7242	22.00	22	48.80	49	£2.50	2.20	4.90	9.60	8.95	7.26
5.00	8047	22.00	22	55.86	56	£2.50	2.20	5.60	10.30	9.55	7.85
										Average	6.78

9% increase Tariff One

Flag fall distance = 72 metres

Incremental changes 72 to 1728 metres = 72 metres

Incremental changes from 1728 metres = 114 metres

£2.45
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1728 metres		From 1728 metres		Up to 1728 metres	From 1728 metres	Flag Fall	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	10.18	11			1.10	0.00	£2.45	3.55	3.45	2.90
1.00	1619	21.49	22			2.20	0.00	£2.45	4.65	4.45	4.49
1.50	2414	23.00	23	6.02	7	2.30	0.70	£2.45	5.45	5.05	7.92
2.00	3219	23.00	23	13.08	14	2.30	1.40	£2.45	6.15	5.65	8.85
2.50	4023	23.00	23	20.13	21	2.30	2.10	£2.45	6.85	6.35	7.87
3.00	4828	23.00	23	27.19	28	2.30	2.80	£2.45	7.55	6.95	8.63
3.50	5633	23.00	23	34.25	35	2.30	3.50	£2.45	8.25	7.65	7.84
4.00	6437	23.00	23	41.31	42	2.30	4.20	£2.45	8.95	8.25	8.48
4.50	7242	23.00	23	48.37	49	2.30	4.90	£2.45	9.65	8.95	7.82
5.00	8047	23.00	23	55.43	56	2.30	5.60	£2.45	10.35	9.55	8.38
									Average	Average	7.32

10% increase Tariff One

Flag fall distance = 70 metres

Incremental changes 70 to 1610 metres = 70 metres

Incremental changes from 1610 metres = 110 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 1610 metres		From 1610 metres		Up to 1610 metres	From 1610 metres	Flag Fall	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	10.50	11			1.10	0.00	£2.50	3.60	3.45	4.35
1.00	1619	22.00	22			2.20	0.00	£2.50	4.70	4.45	5.62
1.50	2414	22.00	22	7.31	8	2.20	0.80	£2.50	5.50	5.05	8.91
2.00	3219	22.00	22	14.63	15	2.20	1.50	£2.50	6.20	5.65	9.73
2.50	4023	22.00	22	21.94	22	2.20	2.20	£2.50	6.90	6.35	8.66
3.00	4828	22.00	22	29.25	30	2.20	3.00	£2.50	7.70	6.95	10.79
3.50	5633	22.00	22	36.57	37	2.20	3.70	£2.50	8.40	7.65	9.80
4.00	6437	22.00	22	43.88	44	2.20	4.40	£2.50	9.10	8.25	10.30
4.50	7242	22.00	22	51.20	52	2.20	5.20	£2.50	9.90	8.95	10.61
5.00	8047	22.00	22	58.52	59	2.20	5.90	£2.50	10.60	9.55	10.99
									Average	Average	8.98

5% increase Tariff Two

Flag fall distance = 50 metres

Incremental changes 50 to 2150 metres = 50 metres

Incremental changes from 2150 metres = 115 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2150 metres		From 2150 metres		Up to 2150 metres	From 2150 metres	Flag Fall	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	15.10	15			1.50	0.00	£2.50	4.00	4.00	0.00
1.00	1619	31.38	32			3.20	0.00	£2.50	5.70	5.50	3.64
1.50	2414	42.00	42	2.30	3	4.20	0.30	£2.50	7.00	6.70	4.48
2.00	3219	42.00	42	9.30	10	4.20	1.00	£2.50	7.70	7.30	5.48
2.50	4023	42.00	42	16.29	17	4.20	1.70	£2.50	8.40	7.90	6.33
3.00	4828	42.00	42	23.29	24	4.20	2.40	£2.50	9.10	8.50	7.06
3.50	5633	42.00	42	30.29	31	4.20	3.10	£2.50	9.80	9.20	6.52
4.00	6437	42.00	42	37.28	38	4.20	3.80	£2.50	10.50	9.80	7.14
4.50	7242	42.00	42	44.28	45	4.20	4.50	£2.50	11.20	10.40	7.69
5.00	8047	42.00	42	51.28	52	4.20	5.20	£2.50	11.90	11.00	8.18
										Average	5.65

26**6% increase Tariff Two**

Flag fall distance = 50 metres

Incremental changes 50 to 2100 metres = 50 metres

Incremental changes from 2100 metres = 110 metres

£2.55
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2100 metres		From 2100 metres		Up to 2100 metres	From 2100 metres	Flag Fall	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter						
0.50	805	15.10	16			1.60	0.00	£2.55	4.15	4.00	3.75
1.00	1619	31.38	32			3.20	0.00	£2.55	5.75	5.50	4.55
1.50	2414	41.00	41	2.85	3	4.10	0.30	£2.55	6.95	6.70	3.73
2.00	3219	41.00	41	10.17	11	4.10	1.10	£2.55	7.75	7.30	6.16
2.50	4023	41.00	41	17.48	18	4.10	1.80	£2.55	8.45	7.90	6.96
3.00	4828	41.00	41	24.80	25	4.10	2.50	£2.55	9.15	8.50	7.65
3.50	5633	41.00	41	32.12	33	4.10	3.30	£2.55	9.95	9.20	8.15
4.00	6437	41.00	41	39.43	40	4.10	4.00	£2.55	10.65	9.80	8.67
4.50	7242	41.00	41	46.75	47	4.10	4.70	£2.55	11.35	10.40	9.13
5.00	8047	41.00	41	54.06	55	4.10	5.50	£2.55	12.15	11.00	10.45
										Average	6.92

7% increase Tariff Two

Flag fall distance = 48 metres

Incremental changes 48 to 2064 metres = 48 metres

Incremental changes from 2064 metres = 110 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2064 metres		From 2064 metres		Up to 2064 metres	From 2064 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter					
0.50	805	15.77	16			1.60	0.00	4.10	4.00	2.50
1.00	1619	32.73	33			3.30	0.00	5.80	5.50	5.45
1.50	2414	42.00	42	3.18	4	4.20	0.40	7.10	6.70	5.97
2.00	3219	42.00	42	10.50	11	4.20	1.10	7.80	7.30	6.85
2.50	4023	42.00	42	17.81	18	4.20	1.80	8.50	7.90	7.59
3.00	4828	42.00	42	25.13	26	4.20	2.60	9.30	8.50	9.41
3.50	5633	42.00	42	32.45	33	4.20	3.30	10.00	9.20	8.70
4.00	6437	42.00	42	39.75	40	4.20	4.00	10.70	9.80	9.18
4.50	7242	42.00	42	47.07	48	4.20	4.80	11.50	10.40	10.58
5.00	8047	42.00	42	54.39	55	4.20	5.50	12.20	11.00	10.91
									Average	7.71

8% increase Tariff Two

Flag fall distance = 48 metres

Incremental changes 48 to 2160 metres = 48 metres

Incremental changes from 2160 metres = 110 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2160 metres		From 2160 metres		Up to 2160 metres	From 2160 metres	Total	Current Fare	%age increase
		Exact	Meter	Exact	Meter					
0.50	805	15.77	16			1.60	0.00	4.10	4.00	2.50
1.00	1619	32.73	33			3.30	0.00	5.80	5.50	5.45
1.50	2414	44.00	44	2.31	3	4.40	0.30	7.20	6.70	7.46
2.00	3219	44.00	44	9.63	10	4.40	1.00	7.90	7.30	8.22
2.50	4023	44.00	44	16.94	17	4.40	1.70	8.60	7.90	8.86
3.00	4828	44.00	44	24.25	25	4.40	2.50	9.40	8.50	10.59
3.50	5633	44.00	44	31.57	32	4.40	3.20	10.10	9.20	9.78
4.00	6437	44.00	44	38.88	39	4.40	3.90	10.80	9.80	10.20
4.50	7242	44.00	44	46.20	47	4.40	4.70	11.60	10.40	11.54
5.00	8047	44.00	44	53.52	54	4.40	5.40	12.30	11.00	11.82
									Average	8.64

9% increase Tariff Two

Flag fall distance = 47 metres

Incremental changes 47 to 2068 metres = 47 metres

Incremental changes from 2068 metres = 110 metres

£2.55
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2068 metres		From 2068 metres		Up to 2068 metres	From 2068 metres	Total	Current Fare	%age increase	
		Exact	Meter	Exact	Meter						
0.50	805	16.13	16			1.60	0.00	4.15	4.00	3.75	
1.00	1619	33.45	34			3.40	0.00	5.95	5.50	8.18	
1.50	2414	43.00	43	3.15	4	4.30	0.40	7.25	6.70	8.21	
2.00	3219	43.00	43	10.46	11	4.30	1.10	7.95	7.30	8.90	
2.50	4023	43.00	43	17.77	18	4.30	1.80	8.65	7.90	9.49	
3.00	4828	43.00	43	25.09	26	4.30	2.60	9.45	8.50	11.18	
3.50	5633	43.00	43	32.41	33	4.30	3.30	10.15	9.20	10.33	
4.00	6437	43.00	43	39.72	40	4.30	4.00	10.85	9.80	10.71	
4.50	7242	43.00	43	47.04	48	4.30	4.80	11.65	10.40	12.02	
5.00	8047	43.00	43	54.35	55	4.30	5.50	12.35	11.00	12.27	
									Average		9.50

10% increase Tariff Two

Flag fall distance = 47 metres

Incremental changes 47 to 2115 metres = 47 metres

Incremental changes from 2115 metres = 110 metres

£2.50
£0.10
£0.10

Distance (miles)	Distance (metres)	Up to 2115 metres		From 2115 metres		Up to 2115 metres	From 2115 metres	Total	Current Fare	%age increase	
		Exact	Meter	Exact	Meter						
0.50	805	16.13	17			1.70	0.00	4.20	4.00	5.00	
1.00	1619	33.45	34			3.40	0.00	5.90	5.50	7.27	
1.50	2414	44.00	44	2.72	3	4.40	0.30	7.20	6.70	7.46	
2.00	3219	44.00	44	10.04	11	4.40	1.10	8.00	7.30	9.59	
2.50	4023	44.00	44	17.35	18	4.40	1.80	8.70	7.90	10.13	
3.00	4828	44.00	44	24.66	25	4.40	2.50	9.40	8.50	10.59	
3.50	5633	44.00	44	31.98	32	4.40	3.20	10.10	9.20	9.78	
4.00	6437	44.00	44	39.29	40	4.40	4.00	10.90	9.80	11.22	
4.50	7242	44.00	44	46.61	47	4.40	4.70	11.60	10.40	11.54	
5.00	8047	44.00	44	53.93	54	4.40	5.40	12.30	11.00	11.82	
									Average		9.44

SUMMARY OF PERCENTAGE INCREASES FROM THE PRECEDING TABLES PROVIDED BY OFFICERS												
Distance (miles)	5%		6%		7%		8%		9%		10%	
	Tariff One	Tariff Two	Tariff One	Tariff Two	Tariff One	Tariff Two	Tariff One	Tariff Two	Tariff One	Tariff Two	Tariff One	Tariff Two
0.5	0.00	0.00	1.45	3.75	0.00	2.50	4.35	2.50	2.90	3.75	4.35	5.00
1.0	2.25	3.64	5.62	4.55	2.25	5.45	3.37	5.45	4.49	8.18	5.62	7.27
1.5	3.96	4.48	4.95	3.73	5.94	5.97	6.93	7.46	7.92	8.21	8.91	7.46
2.0	5.31	5.48	6.19	6.16	7.08	6.85	7.96	8.22	8.85	8.90	9.73	9.59
2.5	4.72	6.33	5.51	6.96	6.30	7.59	7.09	8.86	7.87	9.49	8.66	10.13
3.0	2.88	7.06	6.47	7.65	7.19	9.41	7.91	10.59	8.63	11.18	10.79	10.59
3.5	5.23	6.52	5.88	8.15	6.54	8.70	7.19	9.78	7.84	10.33	9.80	9.78
4.0	6.06	7.14	6.67	8.67	7.27	9.18	7.88	10.20	8.48	10.71	10.30	11.22
4.5	5.59	7.69	7.26	9.13	6.70	10.58	7.26	11.54	7.82	12.02	10.61	11.54
5.0	6.28	8.18	7.85	10.45	7.33	10.91	7.85	11.82	8.38	12.27	10.99	11.82
Average	4.23	5.65	5.79	6.92	5.66	7.71	6.78	8.64	7.32	9.50	8.98	9.44

APPENDIX THREE

CPI and RPI Indices and Calculation of Changes to CPI and RPI

Month	CPI Index (2005=100)	RPI Index (1987=100)
Nov 2009	112.0	216.6
Dec	112.6	218.0
Jan 2010	112.4	217.9
Feb	112.9	219.2
Mar	113.5	220.7
Apr	114.2	222.8
May	114.4	223.6
Jun	114.6	224.1
Jul	114.3	223.6
Aug	114.9	224.5
Sep	114.9	225.3
Oct	115.2	225.8
Nov	115.6	226.8
Dec	116.8	228.4
Jan 2011	116.9	229.0
Feb	117.8	231.3
Mar	118.1	232.5
Apr	119.3	234.4
May	119.5	235.2
Jun	119.4	235.2
Jul	119.4	234.7
Aug	120.1	236.1
Sep	120.9	237.9
Oct	121.0	238.0
Nov	121.2	238.5
Dec	121.7	239.4
Jan 2012	121.1	238.0
Feb	121.8	239.9
Mar	122.2	240.8
Apr	122.9	242.5
May	122.8	242.4
Jun	122.3	241.8
Jul	122.5	242.1
Aug	123.1	243.0
Sep	123.5	244.2
Oct	124.2	245.6
Nov	124.4	245.6

Extracted from Office of National Statistics CPI & RPI Reference Tables
November 2012, Table 2

(<http://www.ons.gov.uk/ons/search/index.html?newquery=rpi+index>)

The previous increase in the Hackney Carriage tariff was agreed by Committee on 13 October 2010 but did not become operative until 10 January 2010. The percentage change in CPI and RPI is shown below for the period October 2010 to November 2012.

$$\text{CPI} = (124.4 - 115.2) / 115.2 = 7.99\%$$

30

$$\text{RPI} = (245.6 - 225.8) / 225.8 = 8.77\%$$

APPENDIX FOUR

Comparison of Existing and Proposed Fares

The taxi meters are set to operate so that the fare increases incrementally as the distance travelled increases. Additionally if the vehicle is stopped, e.g. at traffic signals, the fare will increase if a set time passes before the starts to move again. The distance travelled for each incremental increase is set in metres. However, COLTA has historically illustrated the effect of fare increases by comparing journeys over various distances measured in miles.

The tables below show the current and proposed fares (as put forward by COLTA) for distances from a half mile to 5 miles for Tariffs One and Two. The figures in brackets show the number of incremental increases of each distance included in the fare calculation.

TARIFF ONE - Existing

Distance (miles)	Flag Fall	Metres Travelled		TOTAL (£)
		80-1600	Over 1600	
0.5	2.45	1.00 (10)		3.45
1.0	2.45	1.90 (19)	0.10 (1)	4.45
1.5	2.45	1.90 (19)	0.70 (7)	5.05
2.0	2.45	1.90 (19)	1.30 (13)	5.65
2.5	2.45	1.90 (19)	2.00 (20)	6.35
3.0	2.45	1.90 (19)	2.60 (26)	6.95
3.5	2.45	1.90 (19)	3.30 (33)	7.65
4.0	2.45	1.90 (19)	3.90 (39)	8.25
4.5	2.45	1.90 (19)	4.60 (46)	8.95
5.0	2.45	1.90 (19)	5.20 (52)	9.55

Flag Fall includes first 80 metres. 80-1600 £0.10 for each 80 metres. Over 1600 metres £0.10 for each 125 metres.

TARIFF ONE - Proposed

Distance (miles)	Flag Fall	Metres Travelled		TOTAL (£)
		70-1610	Over 1610	
0.5	2.50	1.10 (11)		3.60
1.0	2.50	2.20 (22)		4.70
1.5	2.50	2.20 (22)	0.80 (8)	5.50
2.0	2.50	2.20 (22)	1.50 (15)	6.20
2.5	2.50	2.20 (22)	2.20 (22)	6.90
3.0	2.50	2.20 (22)	3.00 (30)	7.70
3.5	2.50	2.20 (22)	3.70 (37)	8.40
4.0	2.50	2.20 (22)	4.40 (44)	9.10
4.5	2.50	2.20 (22)	5.20 (52)	9.90
5.0	2.50	2.20 (22)	5.90 (59)	10.60

Flag Fall includes first 70 metres. 70-1610 £0.10 for each 70 metres. Over 1610 metres £0.10 for each 110 metres.

TARIFF TWO - Existing

Distance (miles)	Flag Fall	Metres Travelled		TOTAL (£)
		53-2120	Over 2120	
0.5	2.50	1.50 (15)		4.00
1.0	2.50	3.00 (30)		5.50
1.5	2.50	3.90 (39)	0.30 (3)	6.70
2.0	2.50	3.90 (39)	0.90 (9)	7.30
2.5	2.50	3.90 (39)	1.50 (15)	7.90
3.0	2.50	3.90 (39)	2.10 (21)	8.50
3.5	2.50	3.90 (39)	2.80 (28)	9.20
4.0	2.50	3.90 (39)	3.40 (34)	9.80
4.5	2.50	3.90 (39)	4.00 (40)	10.40
5.0	2.50	3.90 (39)	4.60 (46)	11.00

Flag Fall includes first 53 metres. 53-2120 £0.10 for each 53 metres. Over 2120 metres £0.10 for each 130 metres.

TARIFF TWO - Proposed

Distance (miles)	Flag Fall	Metres Travelled		TOTAL (£)
		47-2115	Over 2115	
0.5	2.50	1.70 (17)		4.20
1.0	2.50	3.40 (34)		5.90
1.5	2.50	4.40 (44)	0.30 (3)	7.20
2.0	2.50	4.40 (44)	1.10 (11)	8.00
2.5	2.50	4.40 (44)	1.80 (18)	8.70
3.0	2.50	4.40 (44)	2.50 (25)	9.40
3.5	2.50	4.40 (44)	3.20 (32)	10.10
4.0	2.50	4.40 (44)	4.00 (40)	10.90
4.5	2.50	4.40 (44)	4.70 (47)	11.60
5.0	2.50	4.40 (44)	5.40 (54)	12.30

Flag Fall includes first 47 metres. 47-2115 £0.10 for each 47 metres. Over 2115 metres £0.10 for each 110 metres.

APPENDIX FIVE

Basis of fare calculations in Appendix Four

Although the taxi meters are set to operate incrementally to a set distance in metres fare comparisons have historically been made using mile various distances measured in miles. To calculate the fares shown in Appendix ?? it has been necessary therefore to convert the mileage covered into the number of incremental increases required for each distance.

The metric equivalent of a mile is 1609.344 metres. The table below shows to the nearest metre the equivalent distance for each mileage used.

Miles	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0
Metres	805	1609	2414	3219	4023	4828	5633	6437	7242	8047

The tables below shows the number of incremental increases applied to calculate each fare.

TARIFF ONE & THREE - Existing

Miles	80-1600	Over 1600	Miles	80-1600	Over 1600
0.5	10 (9.06)		3.0	19 (19.00)	26 (25.82)
1.0	19 (19.00)	1 (0.07)	3.5	19 (19.00)	33 (32.26)
1.5	19 (19.00)	7 (6.51)	4.0	19 (19.00)	39 (38.70)
2.0	19 (19.00)	13 (12.95)	4.5	19 (19.00)	46 (45.14)
2.5	19 (19.00)	20 (19.38)	5.0	19 (19.00)	52 (51.58)

80-1600 metres fare increases every 80 metres. Over 1600 metres fare increases every 125 metres.

TARIFF ONE & THREE - Proposed

Miles	70-1610	Over 1610	Miles	70-1610	Over 1610
0.5	11 (10.50)		3.0	22 (22.00)	30 (29.25)
1.0	22 (22.00)		3.5	22 (22.00)	37 (36.57)
1.5	22 (22.00)	8 (7.31)	4.0	22 (22.00)	44 (43.88)
2.0	22 (22.00)	15 (14.63)	4.5	22 (22.00)	52 (51.20)
2.5	22 (22.00)	22 (21.95)	5.0	22 (22.00)	59 (58.61)

70-1610 metres fare increases every 70 metres. Over 1610 metres fare increases every 110 metres.

TARIFF TWO - Existing

Miles	53-2120	Over 2120	Miles	53-2120	Over 2120
0.5	15 (14.19)		3.0	39 (39.00)	21 (20.83)
1.0	30 (29.36)		3.5	39 (39.00)	28 (27.02)
1.5	39 (39.00)	3 (2.26)	4.0	39 (39.00)	34 (33.21)
2.0	39 (39.00)	9 (8.45)	4.5	39 (39.00)	40 (39.40)
2.5	39 (39.00)	15 (14.64)	5.0	39 (39.00)	46 (45.59)

53-2120 metres fare increases every 53 metres. Over 2120 metres fare increases every 130 metres.

TARIFF TWO - Proposed

Miles	47-2115	Over 2115	Miles	47-2115	Over 2115
0.5	17 (16.13)		3.0	34 (33.23)	25 (24.66)
1.0	34 (33.23)		3.5	34 (33.23)	32 (31.98)
1.5	34 (33.23)	3 (2.72)	4.0	34 (33.23)	40 (39.29)
2.0	34 (33.23)	11 (10.04)	4.5	34 (33.23)	47 (46.61)
2.5	34 (33.23)	18 (17.35)	5.0	34 (33.23)	54 (53.93)

47-2115 metres fare increases every 47 metres. Over 2115 metres fare increases every 110 metres.

The figures in brackets are the actual number of increments for each distance band. For the calculations of fares the bracketed figures are rounded as the meter will increase the fare as soon as the relevant distance has been passed. An example of the calculation is shown below.

Existing Tariff Two for 3.5 mile journey. This equates to 5633 metres. The first 53 metres are included in the flag fall. For the journey up to 2120 metres the meter will increase the fare 39 times ($2120 - 53 = 2067$, $2067 / 53 = 39$). The remaining journey length is 3513 metres ($5633 - 2120$). For this section of the journey the meter will increase the fare 28 times ($3513 / 130 = 27.02$, rounded up to 28).

APPENDIX SIX

Percentage increase in fares by distance as proposed by COLTA

	TARIFF ONE			TAREIFF TWO			TARIFF THREE		
	Existing	Proposed	%age inc.	Existing	Proposed	%age inc.	Existing	Proposed	%age inc.
0.5	3.45	3.60	4.34	4.00	4.20	5.00	4.30	4.45	3.49
1.0	4.45	4.70	5.61	5.50	5.90	7.27	5.80	6.10	5.17
1.5	5.05	5.50	8.91	6.70	7.20	7.46	6.70	7.30	8.95
2.0	5.65	6.20	9.73	7.30	8.00	9.59	7.60	8.35	9.87
2.5	6.35	6.90	8.67	7.90	8.70	10.13	8.65	9.40	8.67
3.0	6.95	7.70	10.79	8.50	9.40	10.59	9.55	10.60	11.00
3.5	7.65	8.40	9.80	9.20	10.10	9.78	10.60	11.65	9.91
4.0	8.25	9.10	10.30	9.80	10.90	11.22	11.50	12.70	10.43
4.5	8.95	9.90	10.61	10.40	11.60	11.54	12.55	13.90	10.76
5.0	9.55	10.60	11.00	11.00	12.30	11.82	13.45	14.95	11.15
	Average		8.98	Average		9.44	Average		8.94

**SURCHARGE ON ALL JOURNEYS OUTSIDE
THE CITY TO COVER THE RETURN JOURNEY
(TARIFF 3 ON THE TAXIMETER)**

