

LEGAL & DEMOCRATIC SERVICES
Brighton & Hove City Council
King's House
Grand Avenue
Hove BN3 2LS

Date: 17 June 2010
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Dear Councillor

**ADVISORY COMMITTEE FOR EXECUTIVE LICENSING FUNCTIONS - THURSDAY,
24TH JUNE, 2010**

Please find enclosed Thursday, 24th June, 2010 meeting of the Advisory Committee for Executive Licensing Functions, the following reports that were unavailable when the agenda was printed.

Agenda No Item 4A
Additional Supporting Information

4. **Hackney Carriage Fare Review (Pages 1 - 8)**

Report of the Director of Environment (copy attached).

Contact Officer: Martin Seymour Tel:29-2550
Wards Affected: All

Yours sincerely

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Please ask for:

**BRIGHTON & HOVE CITY COUNCIL
MAXIMUM HACKNEY CARRIAGE FARES**

Section 65 of the Local Government (Miscellaneous Provisions) Act 1976

The fares apply to all hiring's within Brighton & Hove City. Journeys ending outside the city area may not exceed the authorised metered maximum fare unless a **prior contract** is made with the driver at the time of hiring.

THE FARE YOU SHOULD PAY ALONG WITH THE RELEVANT TARIFF CODE WILL BE SHOWN AUTOMATICALLY ON THE TAXIMETER.

ONLY EXTRA CHARGES MARKED ** MAY BE ADDED TO THE METER BY THE DRIVER.

Tariff 1 – NORMAL FARE		Tariff 1A
Applies to all hiring's except those mentioned in tariffs 2, 3, 4 & 5, 6 (For Journeys with 5 to 8 passengers tariff 1A will apply)		
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.	£2.40 20p	£3.60 30p
Tariff 2 - Late Night – each day between the hours of 10pm and 6am other than under tariff 3. Sundays – between the hours of 6am and 10pm (For Journeys with 5 to 8 passengers tariff 2b will apply)		Tariff 2b
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.		
	£3.20 20p	£4.80 30p
Tariff 3 - Late Night – each Friday night and Saturday night only between the hours of 12 midnight and 6am the following day. (For Journeys with 5 to 8 passengers tariff 3C will apply)		Tariff 3C
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.		
	£4.20 20p	£6.30 30p
Tariff 4 - Bank or Public Holiday - to 6am the following day excluding the times covered by the Christmas and New Year extra charge. (For Journeys with 5 to 8 passengers tariff 4d will apply)		Tariff 4d
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.		
	£3.40 20p	£5.10 30p
Tariff 5 - Christmas Day & Boxing Day – between 10pm 24 December and 6am 27 December. New Year – between 5am and 10am 1 January (For Journeys with 5 to 8 passengers tariff 5E will apply)		Tariff 5E
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.		
	£3.60 30p	£5.40 45p
Tariff 6 - New Year – between 10pm 31 December and 5am 1 January (For Journeys with 5 to 8 passengers tariff 6F will apply)		Tariff 6F
Initial distance not exceeding 705 yards (approximately 645 metres) or 3 minutes 12 seconds or a combination of distance and time. For all or part of each subsequent 176 yards (approximately 161 metres) or 48 seconds or a combination of distance and time.		
	£4.80 40p	£7.20 60p
Extra Charges – that may be added to the metered fare by the driver		
Fouling Charge **Booking Fee for telephone and pre-booked hiring's **The driver may charge any road charges or toll's where applicable (this must be agreed with the customer before hire commences)		**£50.00 **20p**

The maximum number of persons this vehicle is licensed to carry includes children of any age.

Payment for out of city journeys may be requested by the driver in advance of the journey.

A person who hires this vehicle but makes off without paying the fare in full commits an offence.

An operator's account administration charges, including VAT at the current rate, agreed by prior contract, may be charged separately and if charged will form part of the fare for the purpose of any legislation.

These charges cannot be added by the driver to the fare shown on the taximeter.

Any COMPLAINTS should be made in writing and sent to the Hackney Carriage Office,
Hove Town Hall, Norton Road, Hove, BN3 3BQ

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ONLY EXTRA CHARGES MARKED ** MAY BE ADDED TO THE METER BY THE DRIVER.

CHARGES	TARIFF 1	TARIFF 2	TARIFF 3	TARIFF 4	TARIFF 5
	Normal Fare - Applies to all hiring's except those mentioned in tariffs 2,3,4,5,6,7,8,9 &10	Late Night each day between the hours of 9pm and 6am, other than under tariff 3. Sundays – between the hours of 6am and 9pm. Bank or Public Holiday - to 6am the following day excluding the times covered by Christmas and new year extra charge	Late Night – each Friday Night and Saturday night only between the hours of 12 midnight and 6am the following day	Christmas Day & Boxing Day - between 9pm 24 December and 6am 27 December. New Year - between 6am and 10am 1 st January	New Year - between 9pm 31 December and 6am 1 January
Initial hire not exceeding 800 yards or 3 minutes 20 seconds of waiting time or a combination of both time and distance.	£2.60	£3.60	£4.40	£3.90	£5.20
Each additional 160 yards or part thereof, or 40 seconds of waiting time or part thereof, or a combination of both time and distance.	20p	20p	20p	30p	40p

For Journeys with 5 to 8 passengers the following tariffs may apply

CHARGES	TARIFF 6	TARIFF 7	TARIFF 8	TARIFF 9	TARIFF 10
	Normal Fare - Applies to all hiring's except those mentioned in tariffs, 7,8,9 &10	Late Night each day between the hours of 9pm and 6am, other than under tariff 3. Sundays – between the hours of 6am and 9pm. Bank or Public Holiday - to 6am the following day excluding the times covered by Christmas and new year extra charge	Late Night – each Friday Night and Saturday night only between the hours of 12 midnight and 6am the following day	Christmas Day & Boxing Day – between 9pm 24 December and 6am 27 December. New Year – between 6am and 10am 1 st January	New Year - between 9pm 31 December and 6am 1 January
Initial hire not exceeding 800 yards or 3 minutes 20 seconds of waiting time or a combination of both time and distance.	£3.90	£5.40	£6.60	£5.85	£7.80
Each additional 160 yards or part thereof, or 40 seconds of waiting time or part thereof, or a combination of both time and distance.	30p	30p	30p	45p	60p

Extra Charges – that may be added to the metered fare by the driver	
Fouling Charge **Booking Fee for telephone and pre-booked hiring's **The driver may charge any road charges or toll's where applicable (this must be agreed with the customer before hire commences)	**£50.00 **20p**

The maximum number of persons this vehicle is licensed to carry includes children of any age.
Payment for out of city journeys may be requested by the driver in advance of the journey.
A person who hires this vehicle but makes off without paying the fare in full commits an offence.
An operator's account administration charges, including VAT at the current rate, agreed by prior contract, may be charged separately and if charged will form part of the fare for the purpose of any legislation.

Theses charges cannot be added by the driver to the fare shown on the taximeter.

Any COMPLAINTS should be made in writing and sent to the Hackney Carriage Office, Hove Town Hall, Norton Road, Hove, BN3 3BQ or email to hco@brighton-hove.gov.uk



19 April 2010

Taxi Licensing Committee
Brighton and Hove City Council
Kings House
Grand Avenue
Hove
East Sussex BN3 2LS

REF: **Hackney Carriage tariff increase**

Dear Committee Members

I have recently been asked to assist the trade in preparing an application for an increase in their hackney carriage fares. This is not an uncommon request, because I am the person who has compiled all the UK's taxi tariff sheets into League Tables as published in *Private Hire & Taxi Monthly* for the last eleven years, so I do know something about tariff sheets and their financial footprint.

I have sent down some tables for the Committee to see, which I updated with a fresh sheet on the 15th April.

I am aware that Brighton adopted a taxi tariff fare formula which, according to my records, was in May 2002. At that time Brighton was at number 3 in the national table, but has gone down steadily since then, and are at this moment number 61 in the table, the lowest they have ever been.

The table shows that the average rise amongst local authorities in the South of England over the 11-year period was £2.09, and Brighton's has been £1.78. In percentage terms in 1999 the Southern area two-mile average fare was £3.44, and Brighton was 38 pence ahead of that. Today the Southern average figure is £5.53, and Brighton is at £5.60 – only seven pence ahead. That equates to an area rise of in the South 60.75 per cent in the eleven years Brighton has only managed 46.6 per cent.

I notice in examining Brighton's fare records that they kept the same fare from 2004 to 2006, and again from 2008 to the present day.

I do know that in working fares out by formula, especially based on yearly increases in the cost of living and other price comparables, one can only keep up with the averages if they are uplifted each year. The only licensing authority I know that does this is

London, and they have reviewed their fares every year since 1981, when a report was prepared for the Home Office by a group of accountants.

I gave those who communicated with me in relation to these fares a number of options, which they spent some time considering. The option before the council today is not in any way outrageous; I do believe it does reflect today's general price footprint, especially from the taxi trade.

For a future date, I do think that the taxi tariff for Tariff Two and various time zones does need to be reviewed. From my experience, the only reason for this large number of price zones is the fact that Brighton is amongst very very few councils that do not have a proper Tariff Two fare, but merely add a few pence to each job. In my opinion, with the price of fuel the way it is today, the fare needs to be based on a mileage rate. The concept of travelling to Heathrow in the early hours of the morning for a total of 80 pence extra is hardly realistic.

Out of the 380 councils that set taxi fares, 56 add a fixed price in the evening the same as Brighton; while 154 set a tariff between 40 and 50 per cent on top of the daytime fare – 50 per cent being by far the most common. None of the councils that set fares in this way have need for tariff sheets as complex as that of Brighton and Hove.

I would point the trade, the licensing department and the Committee in the direction of Mid Sussex, which has always had a very clear, understandable and sound tariff structure, rewarding the trade and ensuring that the public can indeed understand what they are being charged.

I hope that this is of assistance.

Yours faithfully

For **THE NATIONAL PRIVATE HIRE ASSOCIATION**



BRYAN M ROLAND
General Secretary

URGENT BY E-mail

24th May 2008

Martin Seymour
Hackney Carriage Officer
Room 217b
Hove Town Hall
Norton Road
Hove
BN3 3BQ

Re: Taxi Tariffs

I have been asked by the trade to specifically address the comment made in previous council meetings that “expenses are deductible and should not form part of the councils deliberations in assessing requests for fare increases”.

The earnings of any business, but taxi drivers, are controllable by those who run those businesses most of these businesses have a target profit margin that they work by, both before and after tax.

If general expenses such as rent, rates, fuel, tax and VAT increase or indeed the cost of the product being marketed then, in most cases, prices will be raised to cover those extra costs and I think that all who shop in the high street will be fully aware of these basic facts.

However in the case of taxi drivers they always have to rely upon a third party, namely the Council, to set the charges that may be used for their business. If no rises are forthcoming for a lengthy period the effect is to whittle away any profit margin which will never be recoverable by the trade more importantly no council in the country, outside of London, consider the concept of “profit margin” in setting fares.

I think it is quite well known, that in the taxi industry, reacting to rises in the cost of operation can only be covered by working extra hours, and even this action carries extra expense and personal risk.

I hope we can agree the present request especially as the last rise was over two years ago.

Yours Faithfully

Bryan Roland

General Secretary

The National Private Hire Association

