



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