

REPORT TO: LICENSING COMMITTEE - 28 SEPTEMBER 2006

REPORT ON: REVIEW OF TAXI FARES

REPORT BY: DIRECTOR OF PLANNING AND TRANSPORTATION

REPORT NO: 556-2006

1 PURPOSE OF REPORT

- 1.1 To review taxi fares following a written request from the Taxi Liaison Group Trade Members.

2 RECOMMENDATION

- 2.1 It is recommended that the Committee consider the proposals listed under Item 6.

3 FINANCIAL IMPLICATION

- 3.1 The method of this review is similar to that undertaken in all Council transport contracts.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 Single occupancy of a taxi is not a sustainable mode of transport for ambulant individuals and every effort must be made to encourage multiple occupancy journeys to common destinations.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 Taxis are a safe and personalised mode of public transport, often used by vulnerable or mobility impaired people. The Licensing Committee's decision to permit new taxi operators a taxi licence for operating an accessible taxi has resulted in a variety of new accessible taxis together with saloon vehicles which offer better travel opportunities to many disabled people.

6 BACKGROUND

- 6.1 Committee will recall that Report Number 619-2005 was brought forward by the Head of Transportation as no agreement could be reached between the taxi trade. Report Number 619-2005 was approved by the Licensing Committee meeting dated 3 November 2005. During the 28 days notice period various objections were received from different representatives of the taxi trade. The Licensing Committee of 12 January 2006 subsequently approved Report Number 619-2005.
- 6.2 A formal appeal was then submitted to the Scottish Traffic Commissioner by Mr Scott Somerville against this decision which led to a Public hearing which took place in Dundee on 11 April 2006. The Traffic Commissioner for Scotland chaired the Public Enquiry and subsequently upheld the City Council's decision to approve report 619-2005 which was formally introduced from 30 May 2006.
- 6.3 Details of Taxi Liaison Group Trade Members proposals for an increase in taxi fares are as follows:

TARIFF 1 – DAYTIME (MONDAY TO SUNDAY) FROM 6AM TO 10PMCurrent Fares (Fixed 30 May 2006)Proposed Fares

- | | |
|---|--|
| <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £2.40;</p> <p>b for each additional 352 yards or part thereof, 20p;</p> <p>c for an initial period of waiting time of 60 seconds, a charge of 20p;</p> <p>d for each additional period of waiting time of 60 seconds or part thereof, 20p.</p> | <p>1 For the first passenger carried:</p> <p>a No change.</p> <p>b for each additional 320 yards or part thereof, 20p;</p> <p>c No change.</p> <p>d No change.</p> |
| <p>2 For each passenger carried in excess of the first passenger a charge of 20p.</p> | <p>2 No change.</p> |
| <p>3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;</p> <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | <p>3 No change.</p> |
| <p>4 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle which results in the vehicle being taken out of service for any period of time.</p> | <p>4 No change.</p> |

TARIFF 2 – WEEKDAYS (MONDAY TO THURSDAY) FROM 10PM TO 6AMCurrent Fares (Fixed 30 May 2006)Proposed Fares

- | | |
|---|---|
| <p>1 For the first passenger carried:</p> | <p>1 For the first passenger carried:</p> |
|---|---|

- | | | |
|--|---|------------|
| <ul style="list-style-type: none"> a for a distance not exceeding 704 yards an initial charge of £2.40; b for each additional 352 yards or part thereof, 20p; c for an initial period of waiting time of 60 seconds, a charge of 20p; d for each additional period of waiting time of 60 seconds or part thereof, 20p. | <ul style="list-style-type: none"> a No change. b for each additional 320 yards or part thereof, 20p; c No change. d No change. | |
| 2 | 2 | No change. |
| 3 | 3 | No change. |
| <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | | |
| 4 | 4 | No change. |
| 5 | 5 | No change. |

TARIFF 3 – WEEKENDS (FRIDAY TO SUNDAY) FROM 10PM TO 6AMCurrent Fares (Fixed 30 May 2006)Proposed Fares

- | | |
|---|--|
| <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £2.40;</p> <p>b for each additional 352 yards or part thereof, 20p;</p> <p>c for an initial period of waiting time of 60 seconds, a charge of 20p;</p> <p>d for each additional period of waiting time of 60 seconds or part thereof, 20p.</p> | <p>1 For the first passenger carried:</p> <p>a No change.</p> <p>b for each additional 320 yards or part thereof, 20p;</p> <p>c No change.</p> <p>d No change.</p> |
| <p>2 For each passenger carried in excess of the first passenger a charge of 20p.</p> | <p>2 No change.</p> |
| <p>3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;</p> <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | <p>3 No change.</p> |
| <p>4 For each hire commencing between 10pm and 6am a charge of £1.00.</p> | <p>4 No change.</p> |
| <p>5 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle which results in the vehicle being taken out of service for any period of time.</p> | <p>5 No change.</p> |

TARIFF 4 – DAYTIME (MONDAY TO SUNDAY) FROM 6AM TO 10PM – FESTIVE PERIOD

Current Fares (Fixed 30 May 2006)

Proposed Fares

- | | |
|--|--|
| <p>1 For the first passenger carried:</p> <p style="margin-left: 20px;">a for a distance not exceeding 704 yards an initial charge of £2.40;</p> <p style="margin-left: 20px;">b for each additional 352 yards or part thereof, 20p;</p> <p style="margin-left: 20px;">c for an initial period of waiting time of 60 seconds, a charge of 20p;</p> <p style="margin-left: 20px;">d for each additional period of waiting time of 60 seconds or part thereof, 20p</p> | <p>1 For the first passenger carried:</p> <p style="margin-left: 20px;">a for a distance not exceeding 704 yards an initial charge of £3.60;</p> <p style="margin-left: 20px;">b for each additional 320 yards or part thereof, 30p;</p> <p style="margin-left: 20px;">c No change.</p> <p style="margin-left: 20px;">d No change.</p> |
| <p>2 For each passenger carried in excess of the first passenger a charge of 20p.</p> | <p>2 No change.</p> |
| <p>3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;</p> <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | <p>3 No change.</p> |
| <p>4 For each hire between 6pm on 24 December until 6am on 27 December and from 6pm on 31 December until 6am on 3 January an additional charge of £1.60. (This charge is in addition to all other charges).</p> | <p>4 Fixed charge of £1.60 removed and replaced with £3.60 initial charge and increase in yardage cost from 320 yards or part thereof, 20p to 320 yards or part thereof, 30p.</p> |
| <p>5 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle which results in the vehicle being taken out of service for any period of time.</p> | <p>5 No change.</p> |

TARIFF 5 – WEEKDAYS (MONDAY TO THURSDAY) FROM 10PM TO 6AM - FESTIVE PERIOD

Current Fares (Fixed 30 May 2006)

Proposed Fares

- | | |
|---|--|
| <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £2.40;</p> <p>b for each additional 352 yards or part thereof, 20p;</p> <p>c for an initial period of waiting time of 60 seconds, a charge of 20p;</p> <p>d for each additional period of waiting time of 60 seconds or part thereof, 20p;</p> | <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £3.60;</p> <p>b for each additional 320 yards or part thereof, 30p;</p> <p>c No change.</p> <p>d No change.</p> |
| <p>2 For each passenger carried in excess of the first passenger a charge of 20p.</p> | <p>2 No change.</p> |
| <p>3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;</p> <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | <p>3 No change.</p> |
| <p>4 For each hire commencing between 10pm and 6am a charge of 60p.</p> | <p>4 No change.</p> |
| <p>5 For each hire between 6pm on 24 December until 6am on 27 December and from 6pm on 31 December until 6am on 3 January an additional charge of £1.60. (This charge is in addition to all other charges).</p> | <p>5 Fixed charge of £1.60 removed and replaced with £3.60 initial charge and increase in yardage cost from 320 yards or part thereof, 20p to 320 yards or part thereof, 30p.</p> |
| <p>6 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle</p> | <p>6 No change.</p> |

which results in the vehicle being taken out of service for any period of time.

TARIFF 6 – WEEKENDS (FRIDAY TO SUNDAY) FROM 10PM TO 6AM – FESTIVE PERIOD

Current Fares (Fixed 30 May 2006)

Proposed Fares

- | | |
|---|--|
| <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £2.40;</p> <p>b for each additional 352 yards or part thereof, 20p;</p> <p>c for an initial period of waiting time of 60 seconds, a charge of 20p;</p> <p>d for each additional period of waiting time of 60 seconds or part thereof, 20p.</p> | <p>1 For the first passenger carried:</p> <p>a for a distance not exceeding 704 yards an initial charge of £3.60;</p> <p>b for each additional 320 yards or part thereof, 30p;</p> <p>c No change.</p> <p>d No change.</p> |
| <p>2 For each passenger carried in excess of the first passenger a charge of 20p.</p> | <p>2 No change.</p> |
| <p>3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;</p> <p>NB No charge shall be made for a child's carriage or perambulator, a bag or bags containing loose groceries, provisions or shopping carried in a taxi, whether in the luggage compartment, boot or inside the taxi.</p> | <p>3 No change.</p> |
| <p>4 For each hire commencing between 10pm and 6am a charge of £1.00.</p> | <p>4 No change.</p> |
| <p>5 For each hire between 6pm on 24 December until 6am on 27 December and from 6pm on 31 December until 6am on 3 January an additional charge of £1.60. (This charge is in addition to all other charges).</p> | <p>5 Fixed charge of £1.60 removed and replaced with £3.60 initial charge and increase in yardage cost from 320 yards or part thereof, 20p to 320 yards or part thereof, 30p.</p> |

- 6 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle which results in the vehicle being taken out of service for any period of time. 6 No change.
- 6.4 The Director of Planning and Transportation has examined the proposals from the Taxi Liaison Group Trade Members and would make the following comments.
- 6.5 Increases in taxi fares have been mainly achieved over the last decade by increasing the initial charge on the meter. In addition to these direct increases the yardage for every part of a mile was reduced from 440 yards costing 20p to 352 yards costing 20p on 1 June 2000 which effectively meant that the customer paid £1.00 per mile instead of 80p per mile after the initial charge.
- 6.6 The justification for increasing the charge from effectively 80p per mile to £1.00 per mile after the initial charge was mainly due to the increasing cost of fuel at that time. The request from the Taxi Liaison Group Trade Members is to reduce the yardage after the initial charge from 352 yards costing 20p to 320 yards costing 20p which effectively means that the cost per mile after the initial charge would rise from £1.00 per mile to £1.10 per mile. The justification for this increase is based on the continuing rise in fuel costs. Fuel prices have risen dramatically over the past twelve months and although fuel costs have fallen slightly recently the cost of obtaining fuel today is 88.9p per litre for unleaded petrol and 92.9p per litre for diesel respectively.
- 6.7 An agreement was reached in principle with the Taxi Liaison Group in 2002 to link any future fares increases to the relevant Retail Price Index for Transport which includes movement in Fuel, Insurance, Vehicles, and Wages etc. It should be noted that the respective RPI increase for 2004/2005 and 2005/2006 were 3.25% and 2.87% respectively. The agreement with the trade was that these increases would be applied to the taxi fares structure. It should also be noted that the agreement included the application of the annual RPI Increase against the taxi testing fees and that the increase of 3.25% was applied to the taxi testing fees with effect from 1 April 2005.
- 6.8 Committee may recall that Report 619-2005 gave a commitment from the City Council to monitor fuel costs over the next six months with a view to increasing the cost per mile at the 2006 fares review if fuel prices continued to increase. The taxi trade are now proposing that the yardage for journeys over 1 mile be reduced from 352 yards for 20p to 320 yards for 20p. This would mean that journeys would cost £1.10 per mile instead of £1.00 per mile an increase of 6.58% on taxi journeys between 1 and 4 miles in distance. The Head of Transportation does not feel that the request from the taxi trade is unreasonable given the previous yardage variation took place in March 2000 and that fuel costs have continued to be at a higher level for almost one year.
- 6.9 Committee will recall that discussions took place with regard to amending the festive period charges from the current fixed charge of £1.60. The taxi trade have submitted a proposal to cancel the fixed charge during the Christmas/New Year period and replace this charge with a 50% increase on the initial charge and 50% increase on

the yardage. All other charges would remain unaltered. Although the increases shown in Appendices D-F show fairly large increases the Director of Planning and Transportation feels that these increases can be justified and would bring the taxi industry into line with other industries whose employees benefit financially from working the unsocial hours over the festive period.

- 6.10 Committee may recall that waiting time was changed in 2004 from, 90 seconds a charge of 20p to 60 seconds a charge of 20p. The impact of this decision was that every time a taxi fell below 8 miles per hours that the taxi meter would charge time instead of distance. The increase of 2004 to the waiting time meant that the meter moved over to time when the vehicle fell below 12 miles per hour. The Director of Planning and Transportation feels that should Committee be minded to accept the taxi fares proposals that consideration should be given to reviewing the waiting time at the next fares review.
- 6.11 A summary is provided (Appendix A to F) which shows the overall percentage increases which would be applicable if the request from the Taxi Liaison Group Trade Members were to be approved.

7 CONSULTATIONS

- 7.1 The Chief Executive, Depute Chief Executive (Support Services), Depute Chief Executive (Finance) and Assistant Chief Executive (Community Planning) have been consulted and are in agreement with the contents of this report.

8 BACKGROUND PAPERS

- 8.1 Report No 425-2005 - Licensing Committee - 30 June 2005. Report No 619-2005 - Licensing Committee - 3 November 2005.

Mike Galloway
Director of Planning & Transportation

Iain Sherriff
Head of Transportation

IFS/MHD/LD

22 September 2006

Dundee City Council
Tayside House
Dundee

APPENDIX A**Tariff 1 Daytime (Monday to Sunday) from 6am to 10pm**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

a One person travelling daytime between 6am and 10pm – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£3.00	£3.20	6.67
2 miles	£4.00	£4.20	5.00
3 miles	£5.00	£5.40	8.00
4 miles	£6.00	£6.40	6.67
Average % Increase			6.58

b Two persons travelling daytime between 6am and 10pm – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£3.20	£3.40	6.25
2 miles	£4.20	£4.40	4.76
3 miles	£5.20	£5.60	7.69
4 miles	£6.20	£6.60	6.45
Average % Increase			6.29

c Three persons travelling daytime between 6am and 10pm – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£3.40	£3.60	5.88
2 miles	£4.40	£4.60	4.55
3 miles	£5.40	£5.80	7.41
4 miles	£6.40	£6.80	6.25
Average % Increase			6.02

APPENDIX B**Tariff 2 Weekdays (Monday to Thursday) from 10pm to 6am**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

a One person travelling weekdays between 10pm and 6am – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£3.60	£3.80	5.56
2 miles	£4.60	£4.80	4.35
3 miles	£5.60	£6.00	7.14
4 miles	£6.60	£7.00	6.06
Average % Increase			5.78

b Two persons travelling weekdays between 10pm and 6am – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£3.80	£4.00	5.26
2 miles	£4.80	£5.00	4.17
3 miles	£5.80	£6.20	6.90
4 miles	£6.80	£7.20	5.88
Average % Increase			5.55

c Three persons travelling weekdays between 10pm and 6am – non-festive period

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.00	£4.20	5.00
2 miles	£5.00	£5.20	4.00
3 miles	£6.00	£6.40	6.67
4 miles	£7.00	£7.40	5.71
Average % Increase			5.35

APPENDIX C**Tariff 3 Weekends (Friday to Sunday) from 10pm to 6am**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

a One person travelling weekends between 10pm and 6am – non-festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.00	£4.20	5.00
2 miles	£5.00	£5.20	4.00
3 miles	£6.00	£6.40	6.67
4 miles	£7.00	£7.40	5.71
Average % Increase			5.35

b Two persons travelling weekends between 10pm and 6am – non-festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.20	£4.40	4.76
2 miles	£5.20	£5.40	3.85
3 miles	£6.20	£6.60	6.45
4 miles	£7.20	£7.60	5.56
Average % Increase			5.15

c Three persons travelling weekends between 10pm and 6am – non-festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.40	£4.60	4.55
2 miles	£5.40	£5.60	3.70
3 miles	£6.40	£6.80	6.25
4 miles	£7.40	£7.80	5.41
Average % Increase			4.98

APPENDIX D**Tariff 4 Daytime (Monday to Sunday) from 6am to 10pm – Festive Period**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

- a One person travelling daytime between 6am and 10pm – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.60	£4.80	4.35
2 miles	£5.60	£6.30	12.50
3 miles	£6.60	£8.10	22.73
4 miles	£7.60	£9.60	26.32
Average % Increase			16.47

- b Two persons travelling daytime between 6am and 10pm – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£4.80	£5.00	4.17
2 miles	£5.80	£6.50	12.07
3 miles	£6.80	£8.30	22.06
4 miles	£7.80	£9.80	25.64
Average % Increase			15.98

- c Three persons travelling daytime between 6am and 10pm – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.00	£5.20	4.00
2 miles	£6.00	£6.70	11.67
3 miles	£7.00	£8.50	21.43
4 miles	£8.00	£10.00	25.00
Average % Increase			15.52

APPENDIX E**Tariff 5 Weekdays (Monday to Thursday) from 10pm to 6am – Festive Period**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

- a One person travelling weekdays between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.20	£5.40	3.85
2 miles	£6.20	£6.90	11.29
3 miles	£7.20	£8.70	20.83
4 miles	£8.20	£10.20	24.39
Average % Increase			15.09

- b Two persons travelling weekdays between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.40	£5.60	3.70
2 miles	£6.40	£7.10	10.94
3 miles	£7.40	£8.90	20.27
4 miles	£8.40	£10.40	23.81
Average % Increase			14.68

- c Three persons travelling weekdays between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.60	£5.80	3.57
2 miles	£6.60	£7.30	10.61
3 miles	£7.60	£9.10	19.74
4 miles	£8.60	£10.60	23.26
Average % Increase			14.29

APPENDIX F**Tariff 6 Weekends (Friday to Sunday) from 10pm to 6am – Festive Period**

Were the increases requested by Dundee Liaison Group Trade Members approved, then some examples of hires would be as follows:

a One person travelling weekends between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.60	£5.80	3.57
2 miles	£6.60	£7.30	10.61
3 miles	£7.60	£9.10	19.74
4 miles	£8.60	£10.60	23.26
Average % Increase			14.29

b Two persons travelling weekends between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£5.80	£6.00	3.45
2 miles	£6.80	£7.50	10.29
3 miles	£7.80	£9.30	19.23
4 miles	£8.80	£10.80	22.73
Average % Increase			13.93

c Three persons travelling weekends between 10pm and 6am – festive period.

	Current Fare 30/05/2006	Taxi Trade Proposal 2006	Overall %age increase
1 mile	£6.00	£6.20	3.33
2 miles	£7.00	£7.70	10.00
3 miles	£8.00	£9.50	18.75
4 miles	£9.00	£11.00	22.22
Average % Increase			13.58