

REPORT TO: TAXI LIAISON MEETING - 24 OCTOBER 2005

REPORT ON: REVIEW OF TAXI FARES

REPORT BY: DIRECTOR OF PLANNING AND TRANSPORTATION

REPORT NO: 619-2005

1 PURPOSE OF REPORT

- 1.1 To review taxi fares following the failure of the taxi trade to agree unanimously on the new fares structure proposed and negotiated with the Council previously with representatives of the taxi trade.

2 RECOMMENDATION

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

3 FINANCIAL IMPLICATION

- 3.1 Should the increases requested by the taxi trade be approved this would have a direct effect on existing taxi contracts for example the City Council contract and the school transport conveyance contracts administered by Planning and Transportation.
- 3.2 The recommended increases would impact directly on the City Council's taxicard scheme with the subsidy taxicard clients required to pay per journey rising by an average meter cost of circa 20p per journey. This will result in an approximate increase of £20,574 on the total metered fare with taxicard clients requiring to pay approximately 60% (£12,345) directly and the City Council subsidy increasing by the remaining 40% (£8,229) in a full financial year.

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 425-2005 was submitted for approval at the Licensing Committee meeting of 30 June 2005. The recommendations from this report were approved and during the 28 days notice period various objections were received from different representatives of the taxi trade.

- 6.2 In light of these objections a Taxi Liaison meeting was convened on Thursday 22 September 2005 where taxi operators and taxi company directors debated the best methodology of applying a taxi increase to the taxi fares structure. Despite nearly two hours of negotiations the taxi trade were unable to come forward with one unanimous proposal which could be brought before committee so the Head of Transportation agreed to analyse all the various fares proposals which had been submitted with a view to recommending one fares increase.
- 6.3 Taxi fares in the past have effectively operated over a four tariff fare structure with Tariff 1 operating daytime between 6am to 10pm and Tariff 2 operating night time from 10pm to 6am. An unsocial payment for operating after 10pm to 6am was the only difference between Tariff 1 and 2. These tariffs operated all year from Monday to Sunday with the only exception being an additional charge effective over the festive period. These were represented as Tariff 3 and 4. Tariff 3 operates daytime between 6am to 10pm over the festive period and Tariff 4 operates night time from 10pm to 6am over the festive period. An additional charge was levied over and above all other charges with the festive period running from 6pm on 24 December until 6am on 27 December and 6pm on 31 December until 6am on 3 January each year.
- 6.4 The proposal from Planning and Transportation is to increase the number of tariffs from 4 to 6 with each standard week being broken down into 3 tariffs. Details of the time for each tariff are as follows:
- Tariff 1 Daytime (Monday to Sunday) from 6am to 10pm
 - Tariff 2 Weekdays (Monday to Thursday) from 10pm to 6am
 - Tariff 3 Weekends (Friday to Sunday) from 10pm to 6am
 - Tariff 4 Daytime (Monday to Sunday) from 6am to 10pm – Festive Period
 - Tariff 5 Weekdays (Monday to Thursday) from 10pm to 6am – Festive Period
 - Tariff 6 Weekends (Friday to Sunday) from 10pm to 6am – Festive Period
- 6.5 Details of the proposals for an increase in taxi fares are as follows:

TARIFF 1 – DAYTIME (MONDAY TO SUNDAY) FROM 6AM TO 10PM

Current Fares (Fixed 12 July 2004)

Proposed Fares

- | | | | |
|---|---|---|--|
| 1 | For the first passenger carried: | 1 | For the first passenger carried: |
| a | for a distance not exceeding 704 yards an initial charge of £2.20; | a | for a distance not exceeding 704 yards an initial charge of £2.40; |
| b | for each additional 352 yards or part thereof, 20p; | b | No change. |
| c | for an initial period of waiting time of 60 seconds, a charge of 20p; | c | No change. |

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|---|---|---|------------|
| d | for each additional period of waiting time of 60 seconds or part thereof, 20p. | d | No change. |
| 2 | For each passenger carried in excess of the first passenger a charge of 20p. | 2 | No change. |
| 3 | For each package carried in the luggage compartment, boot or rack (including bicycles) 20p; | 3 | No change. |
| | 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. | | |
| 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. | 4 | No change. |

TARIFF 2 – WEEKDAYS (MONDAY TO THURSDAY) FROM 10PM TO 6AM

Current Fares (Fixed 12 July 2004)

Proposed Fares

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|---|--|---|--|
| 1 | For the first passenger carried: | 1 | For the first passenger carried: |
| a | for a distance not exceeding 704 yards an initial charge of £2.20; | a | for a distance not exceeding 704 yards an initial charge of £2.40; |
| b | for each additional 352 yards or part thereof, 20p; | b | No change. |
| c | for an initial period of waiting time of 60 seconds, a charge of 20p; | c | No change. |
| d | for each additional period of waiting time of 60 seconds or part thereof, 20p. | d | No change. |
| 2 | For each passenger carried in excess of the first passenger a charge of 20p. | 2 | No change. |

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| <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 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 3 – WEEKENDS (FRIDAY TO SUNDAY) FROM 10PM TO 6AM

Current Fares (Fixed 12 July 2004)

Proposed Fares

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|---|---|
| <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 £2.20;</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 £2.40;</p> <p style="margin-left: 20px;">b No change.</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>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.

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| 4 | For each hire commencing between 10pm and 6am a charge of 60p | 4 | For each hire commencing between 10pm and 6am a charge of £1.00. |
| 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. | 5 | No change. |

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

Current Fares (Fixed 12 July 2004)

Proposed Fares

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|---|---|---|--|
| 1 | For the first passenger carried: | 1 | For the first passenger carried: |
| | a for a distance not exceeding 704 yards an initial charge of £2.20; | | a for a distance not exceeding 704 yards an initial charge of £2.40; |
| | b for each additional 352 yards or part thereof, 20p; | | b No change. |
| | c for an initial period of waiting time of 60 seconds, a charge of 20p; | | c No change. |
| | d for each additional period of waiting time of 60 seconds or part thereof, 20p | | d No change. |
| 2 | For each passenger carried in excess of the first passenger a charge of 20p. | 2 | No change. |
| 3 | For each package carried in the luggage compartment, boot or rack (including bicycles) 20p; | 3 | No change. |

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.

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|---|--|---|------------|
| 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). | 4 | No change. |
| 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. | 5 | No change. |

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

Current Fares (Fixed 12 July 2004)

Proposed Fares

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|---|---|---|--|
| 1 | For the first passenger carried: | 1 | For the first passenger carried: |
| | a for a distance not exceeding 704 yards an initial charge of £2.20; | | a For a distance not exceeding 704 yards an initial charge of £2.40; |
| | b for each additional 352 yards or part thereof, 20p; | | b No change. |
| | c for an initial period of waiting time of 60 seconds, a charge of 20p; | | c No change. |
| | d for each additional period of waiting time of 60 seconds or part thereof, 20p; | | d No change. |
| 2 | For each passenger carried in excess of the first passenger a charge of 20p. | 2 | No change. |
| 3 | For each package carried in the luggage compartment, boot or rack (including bicycles) 20p; | 3 | No change. |

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.

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|---|--|---|------------|
| 4 | For each hire commencing between 10pm and 6am a charge of 60p. | 4 | No change. |
| 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). | 5 | No change. |
| 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. |

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

Current Fares (Fixed 12 July 2004)

Proposed Fares

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|---|--|---|--|
| 1 | For the first passenger carried: | 1 | For the first passenger carried: |
| | a for a distance not exceeding 704 yards an initial charge of £2.20; | | a for a distance not exceeding 704 yards an initial charge of £2.40; |
| | b for each additional 352 yards or part thereof, 20p; | | b No change. |
| | c for an initial period of waiting time of 60 seconds, a charge of 20p; | | c No change. |
| | d for each additional period of waiting time of 60 seconds or part thereof, 20p. | | d No change. |
| 2 | For each passenger carried in excess of the first passenger a charge of 20p. | 2 | No change. |

3	For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;	3	No change.
	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.		
4	For each hire commencing between 10pm and 6am a charge of 60p.	4	For each hire commencing between 10pm and 6am a charge of £1.00.
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).	5	No change.
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.

- 6.6 The Head of Transportation has examined the various proposals from the taxi trade and would make the following comments. The taxi trade were divided mainly between two options. Option 1 was to add 20p onto the initial charge thereby increasing the initial charge from £2.20 to £2.40. This would guarantee every taxi driver an increase of 20p per journey. Option 2 was to leave the initial charge at £2.20 and increase the mileage rate from £1.00 per mile to £1.10 per mile. This can be directly linked to the cost of fuel although we cannot know if fuel prices will stay at current levels or whether it is simply an artificial high. Option 2 would effectively give a 10% increase on the taxi fare structure.
- 6.7 Increases to the taxi fares have been achieved in recent years 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 increased the mileage charge from 80p per mile to £1.00 per mile after the initial charge.
- 6.8 The justification for this increase was due to escalating fuel costs which peaked at 86p per litre in March 2001. Fuel prices dropped back down to 72p per litre in March 2004. Although fuel prices have risen considerably over the last 3 months fuel

can be purchased today at 89.9p per litre for unleaded and 92.9p per litre for diesel. The Head of Transportation would like 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 continue to increase.

- 6.9 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, Wages etc. It should be noted that the respective RPI increase for 2004/2005 was 3.25%. The agreement with the trade was that this increase 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 from 1 April 2005.
- 6.10 Committee may be aware that the Evening Economy Working Group is currently examining proposals with transport providers to improve the availability of buses and taxis over the weekend evening periods. Officials from Dundee City Council are working together with the Chief Constable and interested parties to tackle elements of anti social behaviour associated with late licences and clearing the City Centre at the weekends to minimise anti social behaviour. The Chief Constable has stated that 95% of their policing resources are taken up with policing approximately 5% of the general public at key times within the City Centre. It should be noted that the proposal to increase the weekend tariff overnight has been requested directly from the taxi trade and not from the Evening Economy Working Group.
- 6.11 At present there is no differential to the tariff charged overnight for weekdays to that of weekends and it is anticipated that by charging an additional premium for evening weekend taxis fares that this will have the effect of increasing the general availability of taxis over the weekend evening period. The taxi trade anticipate an increase of circa 20% taxi availability over the weekend evening period which will reduce the waiting time at what is already an extremely busy period.
- 6.12 Committee may recall that considerable discussions have taken place recently with the taxi trade regarding moving over to clock calendar meters whereupon the meter would automatically calculate any unsocial charges applicable to the date and time of the journey. At present all extras are added to the meter by the taxi driver manually and this can lead to problems between the customer and taxi driver when the extras are being added to the meter. Consideration should be given to setting a date during 2006 for all taxi drivers to move over to clock calendar meters.
- 6.13 A summary is provided (Appendix A to F) which shows the overall percentage increases which would be applicable if the request 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.

Mike Galloway
Director of Planning & Transportation

Iain Sherriff
Head of Transportation

IFS/MHD/KM

30 September 2005

Dundee City Council
Tayside House
Dundee

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£2.80	£3.00	7.14
2 miles	£3.80	£4.00	5.26
3 miles	£4.80	£5.00	4.17
4 miles	£5.80	£6.00	3.45

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.00	£3.20	6.67
2 miles	£4.00	£4.20	5.00
3 miles	£5.00	£5.20	4.00
4 miles	£6.00	£6.20	3.33

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.20	£3.40	6.25
2 miles	£4.20	£4.40	4.76
3 miles	£5.20	£5.40	3.85
4 miles	£6.20	£6.40	3.23

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.40	£3.60	5.88
2 miles	£4.40	£4.60	4.55
3 miles	£5.40	£5.60	3.70
4 miles	£6.40	£6.60	3.12

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.60	£3.80	5.56
2 miles	£4.60	£4.80	4.35
3 miles	£5.60	£5.80	3.57
4 miles	£6.60	£6.80	3.03

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.80	£4.00	5.26
2 miles	£4.80	£5.00	4.17
3 miles	£5.80	£6.00	3.45
4 miles	£6.80	£7.00	2.94

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.40	£4.00	17.65
2 miles	£4.40	£5.00	13.64
3 miles	£5.40	£6.00	11.11
4 miles	£6.40	£7.00	9.38

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.60	£4.20	16.67
2 miles	£4.60	£5.20	13.04
3 miles	£5.60	£6.20	10.71
4 miles	£6.60	£7.20	9.09

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£3.80	£4.40	15.79
2 miles	£4.80	£5.40	12.50
3 miles	£5.80	£6.40	10.34
4 miles	£6.80	£7.40	8.82

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£4.40	£4.60	4.55
2 miles	£5.40	£5.60	3.70
3 miles	£6.40	£6.60	3.13
4 miles	£7.40	£7.60	2.70

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£4.60	£4.80	4.35
2 miles	£5.60	£5.80	3.57
3 miles	£6.60	£6.80	3.03
4 miles	£7.60	£7.80	2.63

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£4.80	£5.00	4.17
2 miles	£5.80	£6.00	3.45
3 miles	£6.80	£7.00	2.94
4 miles	£7.80	£8.00	2.56

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.00	£5.20	4.00
2 miles	£6.00	£6.20	3.33
3 miles	£7.00	£7.20	2.86
4 miles	£8.00	£8.20	2.50

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.20	£5.40	3.85
2 miles	£6.20	£6.40	3.23
3 miles	£7.20	£7.40	2.78
4 miles	£8.20	£8.40	2.44

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.40	£5.60	3.70
2 miles	£6.40	£6.60	3.13
3 miles	£7.40	£7.60	2.70
4 miles	£8.40	£8.60	2.38

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

Were the increases requested approved, then some examples of hires would be as follows:

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.00	£5.60	12.00
2 miles	£6.00	£6.60	10.00
3 miles	£7.00	£7.60	8.57
4 miles	£8.00	£8.60	7.50

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.20	£5.80	11.54
2 miles	£6.20	£6.80	9.68
3 miles	£7.20	£7.80	8.33
4 miles	£8.20	£8.80	7.32

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

	Current Fare 12/07/2004	Dundee City Proposal 2005	Overall %age increase
1 mile	£5.40	£6.00	11.11
2 miles	£6.40	£7.00	9.38
3 miles	£7.40	£8.00	8.11
4 miles	£8.40	£9.00	7.14