LICENSING & GENERAL PURPOSES COMMITTEE
30TH JULY 2018

HEAD OF ENVIRONMENTAL HEALTH & HOUSING SERVICES
REPORT NO. EHH1820

CONSULTATION ON PROPOSED VARIATION TO THE SCHEME OF HACKNEY CARRIAGE FARES

SUMMARY

This report outlines proposals to vary the current scheme of hackney carriage fares which have, following provisional approval of Cabinet, been published for public consultation.

The Committee is requested to consider the proposals and, as a specified consultee in the review process, make comments or recommendations for report to and consideration by Cabinet on determination as may be appropriate.

1. BACKGROUND & INTRODUCTION

1.1. Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 (LGMPA76) gives the Council the power - not a duty (i.e. a discretionary ability), to fix the rates or fares in connection with the hire of a hackney carriage vehicle within its district by means of a scheme of fares. Further, under the Local Authorities (Functions & Responsibilities) (England) Regulations, the determination of hackney carriage fares is an executive function.

1.2. Accordingly, whilst the Council has always established and set a scheme of fares and largely subject this to annual review in accordance with its taxi licensing policy, any revision to the scheme of fares follows a mechanism and timetable agreed by Cabinet.

1.3. The approved procedure generally involves the calculation of an initial percentage uplift figure (known as the 'notional uplift') using a formula based on various indices and measures of inflation, weighted to reflect factors relevant to the trade e.g. the cost of fuel. Using the notional uplift as a guide, a revised fare scheme is normally prepared for public consultation.

1.4. However, on this occasion, proposals to change the scheme of fares have been submitted by the taxi trade (see **appendix A**). For reference, the current scheme was last uplifted on 1st August 2017 and is given at **appendix B**. The trade proposals result in the fare scheme given at **appendix C**.

1.5. This report outlines the proposed variations which, following provisional approval of Cabinet, have now been published for public consultation. For these purposes, the last date for representations and consultation comments is given as **31st July 2018**.

1.6. Given its role and responsibilities in other areas of taxi licensing work, the views of the Licensing & General Purposes Committee are sought on any change to the scheme of fares. Accordingly, the Committee is requested to consider the proposals and make any comments or recommendations for report to and consideration by Cabinet as may be appropriate.

1.7. Should there be no representations / objections to the proposals, the proposed scheme will be introduced from 1st September 2018. Where, following consultation, there are significant objections to the proposals, these must be taken back to Cabinet for consideration. Allowing for Cabinet / Committee cycles, any report back to Cabinet will be scheduled to its meeting of 21st August.

2. DETAILS OF THE PROPOSAL

2.1. Proposed variation(s)

2.2. Despite the above arrangements, the taxi trade have submitted proposals to vary the current scheme of fares (see **appendix A**) by means of a direct uplift to the pull-off charge(s) (i.e. the amount on the meter as the journey commences) for each metered rate.

2.3. In addition, the trade propose some simplification of the scheme by consolidating night time and Bank holiday rates; thereby reducing the number of meter rates from five to four. They also propose to present charges at time, time and a half, and double time across meter rates 1, 3 and 4 and seek to apply a £1 flat fee for each of the current extra charges.

2.4. Finally, given their proposals and changes to the law prohibiting credit and/or debit card charges, the trade also suggest that there should be a general policy that all hackney carriages must accept credit or debit card payments. However, as the mandatory provision of credit / debit card payment facilities would represent a change to current policy, this specific matter was deferred from public consultation on review of the Council's taxi licensing policy.

3. IMPLICATIONS OF PROPOSALS

3.1. Proposed fare changes

3.2. The taxi fare implications inherent to the proposals can mainly be seen by comparing them against the current scheme of fares and the notional uplift. This is outlined with additional commentary below.

3.3. Notional Uplift

3.4. Use of the approved formula results in a notional uplift of 3.47% for the benchmark period January 2017 to January 2018 (see **appendix D**). However, at the time of the last fare scheme review (1st August 2017) a notional increase of 7.26% had accrued over a 3-4 year period in which, at the request of Members, the deregulation, efficacy and simplification of the fare scheme was explored.

3.5. Despite working collaboratively, agreement on a simplified fare structure could not be reached with the taxi trade at this time. However, so as to reduce the impact of what was considered a sizeable fare increase (i.e. at 7.26%), an interim increase of 4% was applied at this time. This effectively deferred (i.e. 'banked') the remaining uplift amount (3.26%) to and pending the next fare review and/or reworking of the scheme.

3.6. Accordingly, when supplemented with the 'banked' proportion of the 2017 settlement (i.e. 3.26%), the notional uplift methodology would suggest an overall adjustment of **6.73%** (i.e. 3.47% + 3.26% = 6.73%) is applicable at this time.

3.7. Comparison of benchmark taxi journeys

3.8. The tables given at **appendix E** provide for a fare cost comparison of journeys at each mile mark (up to 15 miles) for both the current and proposed schemes. The table given at **appendix F** similarly provides for a cost comparison of a number of local journey examples at different times of the day.

3.9. Commentary of fare proposals

3.10. Whilst subject to variation on account of running mile and taximeter tick over points, the aforementioned tables generally show that the trade proposals provide for a significant increase above the notional uplift for journeys up to and between the one and two mile mark (ranging between 7.46% and 12.5% across meter rates 1, 2 and 3). Thereafter, journey fare increases are notably lower than the notional uplift.

3.11. As the trade proposals are, in part, front-end loaded with changes to the pull off rates (i.e. the amount on the meter as the journey commences) this is of little surprise. However, whilst this approach applies an increase equally to all taxi users, it is clear from this that the proposed increases will, on a day to day basis, be most noticeable by the short journey user.

3.12. The proposals also seek to consolidate the scheme by removal of existing meter rate 4 (for Bank holidays) in favour of applying meter rate 3 (existing night time rate) on Bank holidays. As existing meter rate 3 provides for higher pull off and running mile rates, the proposals will also result in an above notional increase in fares on Bank holidays (between 21% and 34%).

4. OTHER RELEVANT CONSIDERATIONS

4.1. Legal Implications

4.2. Whilst the Council is not obliged to set a scheme of fares, the Council's taxi licensing policy (approved October 2012) specifies that the Council will seek to undertake an annual review of taxi fares. It further aims to give effect to any variation to the scheme of fares in October or November each year (subject to Committee cycles etc).

4.3. Notably, the Council may be subject to challenge where the expectation(s) arising from its stated policy intentions are not met.

4.4. Financial and Resource Implications

4.5. There are no direct financial implications associated with this report other than those attributable to the costs of public consultation. However, these are factored into and can be borne by existing budgets.

4.6. Equalities Impact Implications

4.7. Once established, a scheme of fares must be applied to journeys undertaken within the Borough. The scheme may also be and, is often applied voluntarily for journeys going outside the borough. However, fares for out of borough journeys may be negotiated with the fare paying customer in advance. A scheme of fares as regulated by taximeter therefore provides for a consistent method of calculating a fare for any journey between point A to B. It is considered that this does not discriminate between those with protected characteristics.

4.8. However, while subject to minor ancillary income streams (e.g. vehicle advertisements), taxi fares are the main means by which drivers can recoup the costs of providing a taxi service and effecting an income / living. Conversely, fares must be reasonable and affordable for those that use and/or rely on such services. In essence then, there is a balance to be struck with reference to what is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service; particularly when it is needed (including at times involving anti-social hours). These and other relevant equality considerations are outlined at **appendix G**.

4.9. For this reason, a range of socio-economic data and similar indicators are also provided at **appendix H**. This is provided so as to help contextualise both the current and proposed levels of taxi fares against local circumstances, local issues of relative depravation / affluence and the ability to pay for and use taxi services.

4.10. Useful Guidance

4.11. While there is limited guidance available to Council's in setting taxi fares, an excerpt of the Department for Transport (DfT) best practice guidelines to licensing authorities is given at **appendix I**.

4.12. While the DfT best practice guidelines have no legal standing, the following points may be relevant; namely -

(a) It is good practice to review fare scales at regular intervals.

(b) Fare scales should be designed with a view to practicality.

(c) Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process.

(d) In reviewing taxi fares authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed.

(e) There may be a case for higher fares at times of higher demand.

(f) Taxi fares are a maximum, and in principle are open to downward negotiation between passenger and driver.

5. CONCLUSIONS

5.1. The Council's taxi licensing policy specifies that the Council will undertake an annual review of taxi fares. Whilst subject to an approved methodology, the taxi trade have submitted their own proposals for consideration.

5.2. Any proposal for variation must be subject to public consultation and, by virtue of approved processes include Member consideration by virtue of the Licensing & General Purposes Committee. Where appropriate, all representations / comments will be taken back to Cabinet for consideration before determination. However, by law, any advertised proposal will automatically take effect in the event that it does not attract any significant representations / comments. It is therefore proposed that any revised scheme take effect from 1st September 2018.

BACKGROUND DOCUMENTS: None

CONTACT DETAILS:

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APPENDICES:

Appendix		Title
Appendix A	-	Taxi trade correspondence and proposals for variation of current scheme of fares

Appendix B	-	Current scheme of fares (effective from 1st August 2017)
Appendix C	-	Proposed scheme of fares (as derived from taxi trade proposals) proposed to be effective from 1st September 2018
Appendix D	-	Model calculation of notional uplift of taxi fares (including indices) for 2017-2018
Appendix E	-	Comparison tables of pull-off rates and running mile charges at each mile mark (up to 15 miles) for current & proposed fare schemes
Appendix F	-	Local journey examples / costs arising from the current & proposed fare schemes
Appendix G	-	Relevant considerations in setting taxi fares
Appendix H	-	Socio-economic data & associated indicators
Appendix I	-	Excerpt of DfT Best Practice Guidelines

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APPENDIX A

TAXI TRADE CORRESPONDENCE & PROPOSALS FOR VARIATION OF CURRENT SCHEME OF FARES

The Trade Board met in December of 2017 to discuss any current issues. One of the discussion points was a Fare Review; this was primarily instigated by the Government decision to stop businesses being able to charge an admin fee on credit card transactions. Historically Taxi Drivers have charged a fare and added the processing costs to a trip where customers wanted to pay by card. This is no longer possible so the Trade now needs these costs built into the fare.

We also looked back at the requests made previously by the Council regarding a simplified scheme of fares and want to work towards those aims.

When the Transport for London (TFL) removed card charges from the Hackney Carriage Trade in London they raised the fares by 20p to cover the extra costs incurred by the trade. What was not calculated into the above costs was the large proportion of customers that would subsequently change from paying with cash to using card payment. The London cab drivers we know claim that card payment has moved from 30% of their fares to 70% of their fares.

Fundamentally the Trade would like to see a 30p increase on the base rate to cover the additional costs that will be incurred from 12th January 2018 and the increase in uptake of card usage that will follow. We would not be requesting any % increase due to inflation and increases of other cost.

The Borough of Rushmoor has one of the best Hackney Carriage fleets in the area. Those standards mean we also operate with vehicles that cost more to purchase and service than the surrounding boroughs yet we also have the lowest Fares of all the surrounding boroughs.

For a two mile trip (the taxi fare for each of the surrounding districts) is as follows:

Hart	= £6.80
Surrey Heath	= £6.40
Guildford	= £6.40
Waverley	= £6.20
Rushmoor	= £5.90

Our proposal brings us to Waverley rates but still behind the others, plus we would now be carrying the additional costs from taking payment by Credit Card.

Every driver will be affected differently but on average we expect the initial costs to each driver to be in the region of £240 per year. Drivers who take a lot of card payments (for example those that work in Farnborough) could, on current costs, be looking at £414 per year.

These figures will, we feel, only increase, as they have in London, due to the public changing from cash payment to card payment.

We respectfully ask for an increase in the Flag Fall / Pull Off to help cover these costs. We will be out of pocket from 13th January 2018 and accept that the Fare Review is unlikely to be processed until later in 2018 so the increase would also help to recompense drivers in arrears, in addition to continuing to cover costs going forward.

Additional we recognise the council wanted to see a simplified fare chart and would like to work towards that with some minor corrections and simplifications to the fare chart.

The following suggestions; remove a meter rate, reduce the number of extras and corrects some anomalies in the fare chart.

- No percentage increase on the running mile.
- A 30p rise on Meter Rate 1 pull off and a correction to the time and a half and double time pull off rate.
- We ask that Easter Sunday be included in the 'Bank Holiday' section. Easter Sunday is a special day, even the supermarkets recognise that people should not be expected to work on Easter Sunday. Customers are genuinely shocked that we do not, at present, charge a premium on fares on Easter Sunday.
- On Boxing Day the enhanced rate currently ends at 23:59. This is an anomaly and we think it is more than reasonable for the enhanced rate to continue to 06:59 on the 27th of December (like the New Year's Eve rate running until 06:59 on the 1st of Jan.

Changes by meter rate.

METER RATE 1
Flag Fall / Pull Off - Increase from £2.70 to £3.00

This is to cover the cost of card transactions; this was also undertaken by TFL when London removed card charges.

METER RATE 2 – Evening 18:00 to 22:59 & weekends 0700 to 15:59
Flag Fall / Pull Off - Increase from £3.35 to £3.60

This is to cover the cost of card transactions; this was also undertaken by TFL when London removed card charges.
The 25p increase rather than a 30p increase because we want to remove the 5p from the fare totals. We feel we are being more than fair by cutting the 5p from our income in our desire to get rid of silly 5p increments.
These coins are very small and fiddly, difficult to see at night and increase the size of the float we have to carry.

METER RATE 3 – Night Time (23:00 TO 06:59)
Flag Fall / Pull Off - Increase from £4.00 to £4.50

This is to cover the cost of card transactions and to correct errors that have crept into the tariff chart over the years. This rate is supposed to be

"time and a half" and this adjustment would make it so. It also simplifies the scheme of fare to make it time and a ½.

We would also request that this rate should include ALL BANK HOLIDAYS and EASTER SUNDAY.
The addition of bank holidays to this rate would allow for the removal of meter rate 4 completely, thus reducing the complexity of the chart for the public whilst rewarding drivers for working these antisocial hours.
Generally the trade do not have enough drivers working on those shifts to adequately cover the travelling public effectively. Increasing the fares for working antisocial hours should bring out more drivers and improve the service we can provide.
Customers are always surprised that the fares are not more on these days particularly Easter Sunday

METER RATE 4
To be removed completely
The Council have been asking us for years to simplify the Fare Chart.

METER RATE 5
(To be changed to Meter Rate 4)
Flag Fall / Pull Off - Increase from £4.40 to £6.00

(This is to cover the cost of card transactions and to correct errors that have crept into the tariff chart over the years. This rate is supposed to be "Double Fare" (Double Rate 1) and this adjustment would make it so and to simplify the fare chart making this actually double fare as it should be)

BOXING DAY
The enhanced rate currently ends at 22:59.
We ask that it continues to 06:59 on the 27th of December.
It is difficult enough to get drivers to work any 'holiday' let alone on Boxing Day. An increased rate would encourage drivers to work later and provide a better service to the travelling public (public transport, busses, etc. are very limited) and it would ensure drivers are being suitably recompensed.
It seems an error that you would charge double fare all through Boxing Day but at 00:00 (as Boxing Day becomes the 27th) reduce the rate for the rest of the night\morning.

EXTRA CHARGES
£1.00 For each additional passenger in excess of 5
£1.00 Any Hiring Booked by Telephone, Radio, Internet, Email or App (Electronic Communications)
£1.00 For any hiring if the journey starts or ends outside the borough of Rushmoor

To simplify the fare chart for members of the public (a council aim) we want to reduce the number of Extras. By creating one value for any Extras regardless of what they are for or when they are charged, you reduce the 6 varying extras to 3.

The daytime increase is reasonable when compared to surrounding areas and considering that we do not charge for luggage/bags or passengers above 1. It also gives a small increase to the income of the vast majority of drivers (remember the 30p on Flag Fall will not really be an increase because it will be swallowed up by card payment fees).

DEBIT AND CREDIT CARD PAYMENTS

ALL HACKNEY CARRIAGES MUST ACCEPT CREDIT OR DEBIT CARDS.

As TFL did in London, with a charge being added into the fare chart to cover credit card transacting and to ensure the public have the option to pay by card we feel that all Hackney Carriages MUST accept payment by credit card as part of their terms of licensing.
Some drivers pick and choose jobs on a rank and only take card payments when it is a high value fare sending the smaller fare to the next driver on the rank. Not only does this upset the taxi drivers but it is an inconvenience to the travelling public who are wandering up and down the rank to find someone willing to take them. This is an issue that has become more prevalent since the removal of card charges.

The remaining items on the fare chart would be unchanged.

Regards

Taxi Trade Board.

APPENDIX B

CURRENT SCHEME OF FARES
(EFFECTIVE FROM 1st AUGUST 2017)

HACKNEY CARRIAGE FARES
Effective from 1st August 2017

Below is a table of fares made by Rushmoor Borough Council under S65 of the Local Government (Miscellaneous Provisions) Act 1976. Subject to the notes below, these fares and charges are the MAXIMUM fares that may be charged.

METER RATE 1 - Day time

Any hiring on a weekday between 07:00 and 17:59 *(unless Rate 4 or 5 applies instead).*

First 1088 yards or uncompleted part	£2.70
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.20
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.20
Waiting time *(per 40 second period)*	£0.20

METER RATE 2 - Evenings and weekends

Any hiring on any day between 18:00 and 22:59 *(unless Rate 4 or 5 applies instead)*; or
Any hiring on a Saturday or Sunday, between 07:00 and 17:59 *(unless Rate 5 applies instead).*

First 1088 yards or uncompleted part	£3.35
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.20
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.20
Waiting time *(per 40 second period)*	£0.20

METER RATE 3 - Night time

Any hiring on any day between 23:00 and 06:59 *(unless Rate 5 applies instead).*

First 1088 yards or uncompleted part	£4.00
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.30
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.30
Waiting time *(per 40 second period)*	£0.30

METER RATE 4 - Bank holidays

Any hiring on a bank or public holiday or New Year's Day (1st Jan) between 07:00 and 22:59 *(unless Rate 5 applies instead).*

First 1088 yards or uncompleted part	£3.35
For each subsequent *(or part)* 149.5 yards	£0.25
Waiting time *(per 40 second period)*	£0.25

METER RATE 5 - Christmas/New Year

Any hiring on Christmas Day *(25 December)* or Boxing Day *(26 December)*; or
Any hiring on Christmas Eve *(24 December)* or New Year's Eve *(31 December)* between 21:00 and 23:59; or
Any hiring on New Year's Day *(1 January)* between 00:00 and 06:59.

First 1088 yards or uncompleted part	£4.40
For each subsequent *(or part)* 149.5 yards	£0.40
Waiting time *(per 40 second period)*	£0.40

EXTRA CHARGES

For each additional passenger in excess of five passengers

At rate 1 or 2 *(per person)*	£0.70
At rate 3, 4 or 5 *(per person)*	£1.00

Any hiring booked by telephone or radio

At rate 1 or 2	£0.70
At rate 3, 4 or 5	£1.00

Any hiring if the journey starts or finishes outside the Rushmoor boundary

At rate 1 or 2	£0.70
At rate 3, 4 or 5	£1.00

NB: Passengers may be charged a maximum of four extras, so:

At rate 1 or 2, the total of extras shall at no time exceed	£2.80
At rate 3, 4 or 5, the total of extras shall at no time exceed	£4.00

DEBIT AND CREDIT CARD PAYMENTS

Some taxis accept credit or debit cards. A surcharge may be made for this method of payment which, for non-business customers will not exceed the amount permitted by law, and for business customers shall be limited to a maximum of £1 or 12.5% of the metered fare (whichever is greater).

FOULING CHARGE

Any fouling to the interior of the cab making it unfit for further hiring *(at the discretion of the driver).* **Up to £100**

IMPORTANT NOTES

Fare rates are based on a combination of time and distance and are automatically calculated by and must be displayed on the taximeter at all times. If the journey takes the taxi outside the Rushmoor Borough, the fare charged must still be in accordance with this table of fares unless a fare was otherwise agreed with the hirer before the journey started.

COMPLAINTS AND COMMENTS - Where possible please quote the Cab / Driver Number

Please contact the Head of Environmental Health & Housing at Rushmoor Borough Council, Council Offices, Farnborough Road, Farnborough, Hampshire, GU14 7JU. Tel: 01252 398 399 ■ Fax: 01252 524 017 ■ Email: licensing@rushmoor.gov.uk

RUSHMOOR BOROUGH COUNCIL

APPENDIX C

PROPOSED SCHEME OF FARES (AS DERIVED FROM TAXI TRADE PROPOSALS) PROPOSED TO BE EFFECTIVE FROM 1ST SEPTEMBER 2018

HACKNEY CARRIAGE FARES

Proposed from 1 September 2018

Below is a table of fares made by Rushmoor Borough Council under S65 of the Local Government (Miscellaneous Provisions) Act 1976. Subject to the notes below, these fares and charges are the MAXIMUM fares that may be charged.

METER RATE 1 - Day time

Any hiring on a weekday between 07:00 and 17:59 *(unless Rate 3 or 4 applies instead).*

First 1088 yards or uncompleted part	£3.00
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.20
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.20
Waiting time *(per 40 second period)*	£0.20

METER RATE 2 - Evenings and weekends

Any hiring on any day between 18:00 and 22:59 *(unless Rate 3 or 4 applies instead)*; or
Any hiring on a Saturday or Sunday, between 07:00 and 15:59 *(unless Rate 4 applies instead).*

First 1088 yards or uncompleted part	£3.60
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.20
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.20
Waiting time *(per 40 second period)*	£0.20

METER RATE 3 - Night time, bank holidays and Easter Sunday

Any hiring on any day between 23:00 and 06:59 *(unless Rate 4 applies instead).*

Any hiring on Easter Sunday, a bank or public holiday or New Year's Day (1st Jan) between 07:00 and 22:59 *(unless Rate 4 applies instead).*

First 1088 yards or uncompleted part	£4.50
For each subsequent *(or part)* 149.5 yards up to 8 miles	£0.30
Thereafter, for each subsequent *(or part)* 125.2 yards	£0.30
Waiting time *(per 40 second period)*	£0.30

METER RATE 4 - Christmas/New Year

Any hiring on Christmas Day *(25 December)* or Boxing Day *(26 December)* to 06:59 on 27 December;
Any hiring on Christmas Eve *(24 December)* or New Year's Eve *(31 December)* between 21:00 and 23:59;
or Any hiring on New Year's Day *(1 January)* between 00:00 and 06:59.

First 1088 yards or uncompleted part	£6.00
For each subsequent *(or part)* 149.5 yards	£0.40
Waiting time *(per 40 second period)*	£0.40

EXTRA CHARGES

For each additional passenger in excess of five passengers — £1.00

Any hiring booked by telephone or radio, internet, email or APP (electronic communications) — £1.00

Any hiring if the journey starts or finishes outside the Rushmoor boundary — £1.00

NB: Passengers may be charged a maximum of four extras, up to a maximum of **£4.00**

FOULING CHARGE

Any fouling to the interior of the cab making it unfit for further hiring *(at the discretion of the driver).* — Up to £100

IMPORTANT NOTES

Fare rates are based on a combination of time and distance and are automatically calculated by and must be displayed on the taximeter at all times. If the journey takes the taxi outside the Rushmoor Borough, the fare charged must still be in accordance with this table of fares unless a fare was otherwise agreed with the hirer before the journey started.

COMPLAINTS AND COMMENTS - Where possible please quote the Cab / Driver Number

Please contact the Head of Environmental Health & Housing at Rushmoor Borough Council, Council Offices, Farnborough Road, Farnborough, Hampshire, GU14 7JU. Tel: 01252 398 399 ▪ Email: licensing@rushmoor.gov.uk

RUSHMOOR BOROUGH COUNCIL

APPENDIX D

MODEL CALCULATION OF NOTIONAL UPLIFT OF TAXI FARES (INCLUDING INDICES) FOR 2017-2018

Formula to Uplift Taxi Fares				
Weighting	Annual Increases	Relevant Government Indices		% Increase
		January 2017	January 2018	
80	uplifted by Average Weekly Earnings (Whole Economy)	159.00	163.50	2.83
10	uplifted by R.P.I (Petrol and Oil)	345.80	353.40	2.20
5	uplifted by R.P.I (Vehicle Tax & Insurance)	701.10	811.10	15.69
5	uplifted by R.P.I (All Items excl mortgage costs)	265.80	276.50	4.03

Outcome Calculation		
Annual Percentage Increase	Approved Percentage Weighting	Weighted Percentage Increase
2.83	0.80	**2.26**
2.20	0.10	**0.22**
15.69	0.05	**0.78**
4.03	0.05	**0.20**
	Formula Uplift Total (%)	**3.47**

APPENDIX E

COMPARISON TABLES OF PULL-OFF RATES AND RUNNING MILE CHARGES AT EACH MILE MARK (UP TO 15 MILES) FOR CURRENT & PROPOSED FARE SCHEMES

EXISTING v PROPOSED SCHEME OF FARES COMPARISON TABLE METER RATE 1 - Day time			
DISTANCE	**CURRENT COSTS 01.08.17 (£)**	**PROPOSED SCHEME (£)**	**%AGE INCREASE**
UP TO 1 MILE	2.70	3.00	**11.11%**
1 MILE	3.70	4.00	**8.11%**
2 MILES	6.10	6.40	**4.92%**
3 MILES	8.50	8.80	**3.53%**
4 MILES	10.70	11.00	**2.80%**
5 MILES	13.10	13.40	**2.29%**
6 MILES	15.50	15.80	**1.94%**
7 MILES	17.90	18.20	**1.68%**
8 MILES	20.10	20.40	**1.49%**
9 MILES	23.10	23.40	**1.30%**
10 MILES	25.90	26.20	**1.16%**
11 MILES	28.70	29.00	**1.05%**
12 MILES	31.50	31.80	**0.95%**
13 MILES	34.30	34.60	**0.87%**
14 MILES	37.10	37.40	**0.81%**
15 MILES	39.90	40.20	**0.75%**

Meter Rate 1 Notes:

	Current	**Proposed**
Pull-off charge (£)	2.70	3.00
Pull-off distance (yards)	1088	1088
Subsequent running mile charge (£)	0.20	0.20
Distance per running mile charge up to 8 miles (yards)	149.5	149.5
Distance per yardage rate charge after 8 miles (yards)	125.2	125.2

NB: All journeys shown above are for basic hire. Costs shown do not include any extras.

EXISTING v PROPOSED SCHEME OF FARES COMPARISON TABLE METER RATE 2 - Evenings & Weekends			
DISTANCE	**CURRENT COSTS 01.08.17 (£)**	**PROPOSED SCHEME (£)**	**%AGE INCREASE**
UP TO 1 MILE	3.35	3.60	**7.46%**
1 MILE	4.35	4.60	**5.75%**
2 MILES	6.75	7.00	**3.70%**
3 MILES	9.15	9.40	**2.73%**
4 MILES	11.35	11.60	**2.20%**
5 MILES	13.75	14.00	**1.82%**
6 MILES	16.15	16.40	**1.55%**
7 MILES	18.55	18.80	**1.35%**
8 MILES	20.75	21.00	**1.20%**
9 MILES	23.75	24.00	**1.05%**
10 MILES	26.55	26.80	**0.94%**
11 MILES	29.35	29.60	**0.85%**
12 MILES	32.15	32.40	**0.78%**
13 MILES	34.95	35.20	**0.72%**
14 MILES	37.75	38.00	**0.66%**
15 MILES	40.55	40.80	**0.62%**

Meter Rate 2 Notes:

	Current	**Proposed**
Pull-off charge (£)	3.35	3.60
Pull-off distance (yards)	1088	1088
Subsequent running mile charge (£)	0.20	0.20
Distance per running mile charge up to 8 miles (yards)	149.5	149.5
Distance per yardage rate charge after 8 miles (yards)	125.2	125.2

NB: All journeys shown above are for basic hire. Costs shown do not include any extras.

EXISTING v PROPOSED SCHEME OF FARES COMPARISON TABLE
METER RATE 3 – Night time, Easter Sunday & Bank Holidays

DISTANCE	CURRENT COSTS 01.08.17 (£)	PROPOSED SCHEME (£)	%AGE INCREASE
UP TO 1 MILE	4.00	4.50	**12.50%**
1 MILE	5.50	6.00	**9.09%**
2 MILES	9.10	9.60	**5.49%**
3 MILES	12.70	13.20	**3.94%**
4 MILES	16.00	16.50	**3.13%**
5 MILES	19.60	20.10	**2.55%**
6 MILES	23.20	23.70	**2.16%**
7 MILES	26.80	27.30	**1.87%**
8 MILES	30.10	30.60	**1.66%**
9 MILES	34.60	35.10	**1.45%**
10 MILES	38.80	39.30	**1.29%**
11 MILES	43.00	43.50	**1.16%**
12 MILES	47.20	47.70	**1.06%**
13 MILES	51.40	51.90	**0.97%**
14 MILES	55.60	56.10	**0.90%**
15 MILES	59.80	60.30	**0.84%**

Meter Rate 3 Notes:

	Current	Proposed
Pull-off charge (£)	4.00	4.50
Pull-off distance (yards)	1088	1088
Subsequent running mile charge (£)	0.30	0.30
Distance per running mile charge up to 8 miles (yards)	149.5	149.5
Distance per yardage rate charge after 8 miles (yards)	125.2	125.2

NB: All journeys shown above are for basic hire. Costs shown do not include any extras.

EXISTING v PROPOSED SCHEME OF FARES COMPARISON TABLE
METER RATE 4 – Bank Holidays†

DISTANCE	CURRENT COSTS 01.08.17 (£)	PROPOSED SCHEME† (£)	%AGE INCREASE
UP TO 1 MILE	3.35	4.50	**34.32%**
1 MILE	4.60	6.00	**30.43%**
2 MILES	7.60	9.60	**26.31%**
3 MILES	10.60	13.20	**24.53%**
4 MILES	13.35	16.50	**23.59%**
5 MILES	16.35	20.10	**22.93%**
6 MILES	19.35	23.70	**22.48%**
7 MILES	22.35	27.30	**22.14%**
8 MILES	25.10	30.60	**21.91%**
9 MILES	28.10	35.10	**24.91%**
10 MILES	31.10	39.30	**26.36%**
11 MILES	34.10	43.50	**27.56%**
12 MILES	36.85	47.70	**29.44%**
13 MILES	39.85	51.90	**30.24%**
14 MILES	42.85	56.10	**30.92%**
15 MILES	45.85	60.30	**31.51%**

Meter Rate 4 Notes:

	Current	Proposed
Pull-off charge (£)	3.35	4.50
Pull-off distance (yards)	1088	1088
Subsequent running mile charge (£)	0.25	0.30
Distance per running mile charge up to 8 miles (yards)	149.5	149.5
Distance per yardage rate charge after 8 miles (yards)	n/a	125.2

NB: All journeys shown above are for basic hire. Costs shown do not include any extras.

† It is proposed that the existing Meter Rate 4 be removed on consolidation with Meter Rate 3 (Night time). For this reason, current meter rate 4 costs are, for this table only, compared to proposed Meter Rate 3 (Night time) costs to show the proposed fare increase on Bank holidays.

EXISTING v PROPOSED SCHEME OF FARES COMPARISON TABLE
METER RATE 5* - Christmas & New Year etc

DISTANCE	CURRENT COSTS 01.08.17 (£)	PROPOSED SCHEME* (£)	%AGE INCREASE
UP TO 1 MILE	4.40	6.00	**36.36%**
1 MILE	6.40	8.00	**25.00%**
2 MILES	11.20	12.80	**14.29%**
3 MILES	16.00	17.60	**10.00%**
4 MILES	20.40	22.00	**7.84%**
5 MILES	25.20	26.80	**6.35%**
6 MILES	30.00	31.60	**5.33%**
7 MILES	34.80	36.40	**4.60%**
8 MILES	39.20	40.80	**4.08%**
9 MILES	44.00	45.60	**3.64%**
10 MILES	48.80	50.40	**3.28%**
11 MILES	53.60	55.20	**2.99%**
12 MILES	58.00	59.60	**2.76%**
13 MILES	62.80	64.40	**2.55%**
14 MILES	67.60	69.20	**2.37%**
15 MILES	72.40	74.00	**2.21%**

Meter Rate 5 Notes:

	Current	Proposed
Pull-off charge (£)	4.40	6.00
Pull-off distance (yards)	1088	1088
Subsequent running mile charge (£)	0.40	0.40
Distance per running mile charge up to 8 miles (yards)	149.5	149.5
Distance per yardage rate charge after 8 miles (yards)	n/a	n/a

NB: All journeys shown above are for basic hire. Costs shown do not include any extras.

*For comparison purposes only. With the proposed removal of current Meter Rate 4 (Bank holidays), the existing Meter Rate 5 would become Meter Rate 4.

APPENDIX F

LOCAL JOURNEY EXAMPLES / COSTS ARISING FROM THE CURRENT AND PROPOSED FARE SCHEMES

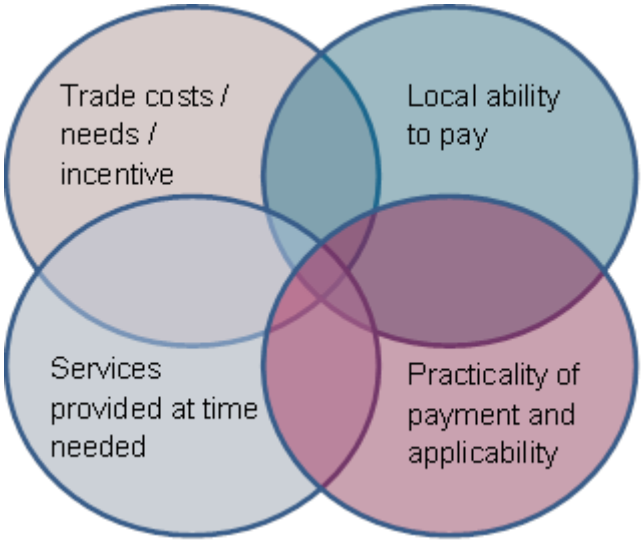
Local journey examples / costs arising from the current and proposed fare schemes

Rate		Meter Rate 1 Day time			Meter Rate 2 Evenings & Weekends			Meter Rate 3 Night time, Bank Holidays & Easter Sunday		
Journey Details	**Distance (miles)**	**Current Cost (£)**	**Proposed Cost (£)**	**Increase**	**Current Cost (£)**	**Proposed Cost (£)**	**Increase**	**Current Cost (£)**	**Proposed Cost (£)**	**Increase**
Council Offices to Guildford Station	13.5	35.70	36.00	**+0.84%**	36.35	36.60	**+0.68%**	53.50	54.00	**+0.93%**
Council Offices to Aldershot Station	4.1	10.90	11.20	**+2.75%**	11.55	11.80	**+2.16%**	16.30	16.80	**+3.06%**
Council Offices to Frimley Park Hospital	2.7	7.70	8.00	**+3.89%**	8.35	8.60	**+2.99%**	11.50	12.00	**+4.34%**
Council Offices to Gatwick Airport (M/Way)*	43.7	120.50	120.80	**+0.25%**	121.15	121.40	**+0.20%**	180.70	181.20	**+0.27%**
Council Offices to Gatwick Airport (Non M/Way)*	47.1	130.10	130.40	**+0.23%**	130.75	131.00	**+0.19%**	195.10	195.60	**+0.25%**
Whitchurch Close to Frimley Park Hospital	7.2	18.30	18.60	**+1.64%**	18.95	19.20	**+1.32%**	27.40	27.90	**+1.82%**
Weyborne Road to Frimley Park Hospital	7.4	18.70	19.00	**+1.60%**	19.35	19.60	**+1.29%**	28.00	28.50	**+1.75%**
Whitchurch Close to Fernhill Lane	7.8	19.70	20.00	**+1.52%**	20.35	20.60	**+1.23%**	29.50	30.00	**+1.69%**
Whitchurch Close to Juniper Road	9.4	24.10	24.40	**+1.24%**	24.75	25.00	**+1.01%**	36.10	36.60	**+1.38%**
Waiting Time		30p per minute	30p per minute		30p per minute	30p per minute		45p per minute	45p per minute	
Pull-off Fee		2.70	3.00		3.35	3.60		4.00	4.50	

Notes:
1) All journeys shown above are for basic hire. Costs shown do not include any extras e.g. Waiting time, additional passengers or telephone bookings.
2) All mileage taken from AA Route Planner.
3) All figures subject to rounding.
4) Costs given are calculated for comparison purposes only. In practice, journeys marked '*' are subject to supply and demand and separate quotes – typically lower than those given.

APPENDIX G

SUMMARY CONSIDERATIONS FOR SETTING OF TAXI FARES



WHAT MATTERS TO THE CUSTOMER / PUBLIC **(in no particular order)**

- Simple and easy to understand
- Fare is reasonable and affordable (£)
- Clear / Clarity of fares to be paid (in advance of journey)
- Ease of calculation (both in advance and during journey)
- Ease of calculation by taximeter
- Practicality of applicability
- Transparently and independently established
- Easy to enforce / police
- Offers sufficient incentive for trade to provide taxi services when needed

WHAT MATTERS TO THE TAXI TRADE **(in no particular order)**

- Fare reasonably covers the costs of service and provides reasonable driver income (£)
- Fares commensurate with level of anti-social hours worked / risk (e.g. working at night / during night time economy) (i.e. incentive to provide a service when needed)
- Ease of calculation by taximeter
- Practicality of applicability
- Practicality of payment method

APPENDIX H

SOCIO-ECONOMIC DATA & RELEVANT INDICATORS

The following socio-economic data is provided to help contextualise both the current and proposed levels of taxi fares against local circumstances, local issues of relative depravation / affluence and the ability to pay for and use taxi services.

Relative affluence of area

Types of housing in Rushmoor

A higher percentage of housing in Rushmoor is at the lower end of the property market. In 2017, 86.5% of properties were in Band D or below. This is a much higher percentage than Rushmoor's geographic neighbours.

March 2017	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
Band A	3.7%	1.9%	1.8%	1.6%	1.8%
Band B	21.6%	5.9%	6.3%	5.9%	5.1%
Band C	39.4%	20.5%	18.5%	16.3%	23.0%
Band D	21.9%	27.6%	23.5%	26.7%	22.5%
Band E	9.7%	17.2%	17.6%	18.3%	20.0%
Band F	3.0%	11.2%	12.9%	15.85	17.3%
Band G	0.8%	12.7%	15.6%	14.0%	9.6%
Band H	0.1%	3.0%	3.9%	1.4%	0.6%
% band D or below	**86.5%**	**55.9%**	**50.1%**	**50.6%**	**52.5%**

(**Source:** Valuation Office Agency)

Number of people on benefits /claimant count

Rushmoor has a higher percentage of residents claiming benefit principally for the reason of being unemployed and claiming main out-of-work benefits than residents in its geographical neighbours.

Claimant Count - Claimant Count is the number of people claiming benefit principally for the reason of being unemployed

March 2018	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
% of those ages 16 - 64 in area	0.9%	0.6%	0.6%	0.7%	0.5%

(**Source:** NOMIS - Office for National Statistics)

(Un)Employment rates

Rushmoor has the highest percentage of residents who are unemployed.

Jan 2017 – Dec 2017	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
Economically active (% of those ages 16 -64 in area)	84.9%	80.9%	81.6%	75.5%	90.0%
In employment (% of those ages 16 -64 in area)	82.8%	79.2%	80.7%	75.5%	89.4%
Unemployed (% of those economically active)*	2.4%	2.2%	2.2%	2.2%	2.2%

*Model based
(**Source:** NOMIS - Office for National Statistics)

% population in relative deprivation

Rushmoor has higher deprivation score (as defined by the national Indices of Multiple Deprivation), and a higher percentage of children living in low income families than in the areas around Rushmoor. Also, Rushmoor has a much lower percentage of households not deprived in any dimension from the 2011 Census, compared to its geographical neighbours.

Indices of Multiple Deprivation

2015	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
Deprivation score (IMD 2015)	15.1	9.4	7.1	7.7	5.0

(**Source:** Public Health England - 2017 Area Health Profile)

Child poverty

2014	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
% children (under 16) in low income families	12.4%	9.9%	8.0%	8.7%	6.6%

(**Source:** Public Health England - 2017 Area Health Profile)

Deprivation dimensions data from the 2011 Census

The 2011 Census has calculated the number of households in a given area with selected household characteristics that are related to deprivation, these are called dimensions. The deprivation dimensions used by the Census are:

- **Employmen**t – if any member of a household, not a full-time student, is either unemployed or long-term sick

- **Education** – if no person in the household has at least level 2 education (5+GCSE or equivalent), and no person aged 16-18 is a full-time student

- **Health and disability** - if any person in the household has general health categorised as 'bad or very bad' or has a long term health problem

- **Housing** – if the household's accommodation is either overcrowded, with an occupancy rating -1 or less (this means one less room than needed based on a standard formula), or is in a shared dwelling, or has no central heating.

	Rushmoor %	Guildford %	Waverley %	Surrey Heath %	Hart %
Household is not deprived in any dimension	47.5	54.9	56.6	56.2	58.7
Household is deprived in 1 dimension	32.7	30.0	29.2	29.8	29.0
Household is deprived in 2 dimensions	15.5	12.4	11.8	11.8	10.7
Household is deprived in 3 dimensions	3.9	2.5	2.1	2.0	1.5
Household is deprived in 4 dimensions	0.4	0.2	0.2	0.2	0.1

(**Source:** Office for National Statistics)

Income / disposable income levels

Rushmoor residents earn over £150 less a week than residents in its geographical neighbours. Those who work in Rushmoor also earn less than if they worked in Guildford, Waverley and Hart.

Gross weekly pay of those who live in Rushmoor and those who work in Rushmoor

2017 all full time workers	Rushmoor	Guildford	Waverley	Surrey Heath	Hart	National Living Wage (over 25)	South East	Great Britain
Earnings by residence	£551.4	£708.9	£747.5	£707.2	£712.3	£289.7	£596.8	£552.7
Earnings by workplace	£638.1	£654.5	£583.7	£569.5	£651.9	£289.7	£574.9	£552.3

(**Source:** NOMIS - Office for National Statistics)

Average annual income levels

2017 all full time workers	Rushmoor	Guildford	Waverley	Surrey Heath	Hart	National Living Wage (over 25)	South East	Great Britain
Earnings by residence	£28,673	£36,863	£38,870	£36,774	£37,040	£15,064	£31,034	£28,740

(**Source:** NOMIS - Office for National Statistics)

Mode of travel choice

In 2011, Rushmoor residents mainly travelled to work by car or van (47.6%). In total 166 people (0.2%) travelled to work by taxi, this was the highest number and percentage of the population aged 16-74, compared to Rushmoor's geographical neighbours.

Method of Travel to Work - Resident Population, 2011

% of population aged 16-74	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
Work mainly at or from home	2.8%	5.3%	7.0%	5.5%	6.0%
Underground, metro, light rail, tram	0.1%	0.2%	0.2%	0.2%	0.1%
Train	5.0%	7.8%	7.8%	4.4%	5.2%
Bus, minibus or coach	3.0%	2.3%	1.2%	1.4%	0.9%
Taxi (people)	0.2% (166)	0.1% (152)	0.1% (88)	0.1% (71)	0.1% (84)
Motorcycle, scooter or moped	0.6%	0.5%	0.5%	0.5%	0.5%
Driving a car or van	47.6%	39.3%	41.8%	50.1%	50.2%
Passenger in a car or van	3.9%	2.5%	2.6%	2.7%	2.4%
Bicycle	2.1%	1.8%	1.1%	1.3%	1.5%
On foot	7.4%	8.2%	6.4%	5.2%	5.4%
Other method of travel to work	0.6%	0.4%	0.5%	0.6%	0.4%
Not in employment	26.7%	31.4%	30.9%	28.1%	27.3%

(**Source:** Office for National Statistics)

% car ownership

In 2011, Rushmoor residents had the lowest level of car ownership, compared to our geographical neighbours

2011 Car ownership

% of households	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
No car or van	16.6%	13.9%	11.9%	10.0%	8.0%
1 car or van	43.0%	40.0%	38.1%	34.5%	34.7%
2 cars or vans	31.2%	33.9%	36.3%	39.9%	42.1%
3 cars or vans	6.8%	8.6%	9.7%	11.0%	10.7%
4 or more cars or vans	2.4%	3.6%	4.0%	4.6%	4.5%

(**Source:** Office for National Statistics)

Net inward / outward migration

The following table demonstrates that in 2011 more people commuted out of Rushmoor than commuted into Rushmoor. More Rushmoor residents commuted into Surrey Heath than to anywhere else.

	Where people LIVING IN Rushmoor go to work	Where people WORKING IN Rushmoor live
Rushmoor	16,367 people living and working in the Borough	
	4,565 home workers	
	4,131 workers with no fixed workplace	
Hart	3,238	4,675
Surrey Health	4,693	2,806
Guildford	3,579	2,656
Waverley	2,703	2,174
Bracknell Forest	1,158	1,072
Woking	1,013	625
Basingstoke & Deane	931	1,213
East Hampshire	636	1,236
	Total commuting OUT of Rushmoor – 26,208	Total commuting INTO Rushmoor – 25,058

(**Source:** 2011 Census http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dvc193/)

Older population

Rushmoor has a lower number and lower percentage of state pensioners than in the surrounding areas.

State Pension caseload – August 2017	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
Number	13115	24123	26661	16822	18387
Percentage of population	13.6%	16.4%	21.4%	19.0%	19.4%

(**Source:** DWP Stat-Xplore)

Ill health

The 2011 census indicated that a higher percentage of Rushmoor residents indicated that they were in bad or very bad health, compared to the residents in the surrounding local authorities.

General Health 2011 census	Rushmoor	Guildford	Waverley	Surrey Heath	Hart
% of the population indicating that they are in bad health or very bad health	3.6%	3.2%	3.3%	3.2%	2.7%

(**Source:** Office for National Statistics)

APPENDIX I

EXCERPT FROM DFT TAXI AND PRIVATE HIRE VEHICLE LICENSING BEST PRACTICE GUIDANCE TO LICENSING AUTHORITIES (March 2010)

TAXI FARES

52. Local licensing authorities have the power to set taxi fares for journeys within their area, and most do so. (There is no power to set PHV fares.) Fare scales should be designed with a view to practicality. The Department sees it as good practice to review the fare scales at regular intervals, including any graduation of the fare scale by time of day or day of the week. Authorities may wish to consider adopting a simple formula for deciding on fare revisions as this will increase understanding and improve the transparency of the process. The Department also suggests that in reviewing fares authorities should pay particular regard to the needs of the travelling public, with reference both to what it is reasonable to expect people to pay but also to the need to give taxi drivers sufficient incentive to provide a service when it is needed. There may well be a case for higher fares at times of higher demand.

53. Taxi fares are a maximum, and in principle are open to downward negotiation between passenger and driver. It is not good practice to encourage such negotiations at ranks, or for on-street hailings; there would be risks of confusion and security problems. But local licensing authorities can usefully make it clear that published fares are a maximum, especially in the context of telephone bookings, where the customer benefits from competition. There is more likely to be a choice of taxi operators for telephone bookings, and there is scope for differentiation of services to the customer's advantage (for example, lower fares off-peak or for pensioners).

54. There is a case for allowing any taxi operators who wish to do so to make it clear – perhaps by advertising on the vehicle – that they charge less than the maximum fare; publicity such as '5% below the metered fare' might be an example.

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