REPORT TO:LICENSING COMMITTEE - 30 JUNE 2005REPORT ON:REVIEW OF TAXI FARESREPORT BY:DIRECTOR OF PLANNING AND TRANSPORTATIONREPORT NO:425-2005

1 PURPOSE OF REPORT

1.1 To review taxi fares following a request from the Dundee Taxi Association and Taxi Trade Representatives.

2 **RECOMMENDATIONS**

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

3 FINANCIAL IMPLICATIONS

- 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 & 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 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.

- 6.2 The taxi trade proposal 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
- 6.3 Details of the Taxi Trades 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)

- 1 For the first passenger carried:
 - a for a distance not exceeding 704 yards an initial charge of £2.20;
 - 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.
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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.

Proposed Fares

- 1 For the first passenger carried:
 - a for a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

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.

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

Current Fares (Fixed 12 July 2004)

4) Proposed Fares

4

No change.

- 1 For the first passenger carried:
 - a for a distance not exceeding 704 yards an initial charge of £2.20;
 - 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.
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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
- 5 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle

- 1 For the first passenger carried:
 - a for a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

- 4 No change.
- 5 No change.

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

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

Current Fares (Fixed 12 July 2004)

- 1 For the first passenger carried:
 - a for a distance not exceeding 704 yards an initial charge of £2.20;
 - 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.
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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
- 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.

Proposed Fares

- 1 For the first passenger carried:
 - a for a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

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

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

Current Fares (Fixed 12 July 2004)

1 For the first passenger carried:

- a for a distance not exceeding 704 yards an initial charge of £2.20;
- 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
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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.

- 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 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.

Proposed Fares

- 1 For the first passenger carried:
 - a for a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

4 No change.

5 No change.

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

Current Fares (Fixed 12 July 2004)

Proposed Fares

- 1 For the first passenger carried:
 - a for a distance not exceeding 704 yards an initial charge of £2.20;
 - 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;
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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.
- 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).
- 6 A charge of between £25 minimum and £50 maximum to be levied in respect of any passenger soiling a vehicle

- 1 For the first passenger carried:
 - a For a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

- 4 No change.
- 5 No change.

6 No change.

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 12 July 2004)

- 1 For the first passenger carried:
 - a for a distance not exceeding 704 yards an initial charge of £2.20;
 - 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.
- 2 For each passenger carried in excess of the first passenger a charge of 20p.
- 3 For each package carried in the luggage compartment, boot or rack (including bicycles) 20p;

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.
- 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).

Proposed Fares

- 1 For the first passenger carried:
 - a for a distance not exceeding 800 yards an initial charge of £2.20;
 - b for each additional 320 yards or part thereof, 20p;
 - c No change.
 - d No change.
- 2 No change.
- 3 No change.

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

- 6 A charge of between £25 6 No change. 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.
- 6.4 The Director of Planning and Transportation has examined the proposals from the Dundee Taxi Association and Taxi Trade Representatives and would make the following comments:
 - a Increases to the 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 per mile instead of 80p per mile after the initial charge.
- 6.5 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. Petrol and diesel prices escalated, peaking at approximately 86p a litre in March 2001. Fuel prices dropped back down to 72p a litre in March 2004 and even with the recent increase to fuel prices petrol can be purchased today at 80.9p per litre and diesel at 84.9p per litre respectively.
- 6.6 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.
- 6.7 The taxi trade propose to increase the distance which the initial charge covers from 704 yards to 800 yards with no increase to this cost which is currently £2.20. This will make it more attractive for relatively short taxi journeys. After the initial charge the trade are requesting that the yardage for journeys 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 10p per mile after the initial charge.
- 6.8 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.

- 6.9 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.
- 6.10 Committee may recall that last year the waiting time was changed 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 hour the taxi meter would charge time instead of distance. The increase last year in the waiting time meant that the meter moved over to time when the vehicle fell below 12 miles per hour. The Director of Planning & Transportation feels that every effort should be made to examine an alternative to charging waiting time.
- 6.11 The Director of Planning & Transportation feels that this charge can be unfair and can lead to arguments with passengers when they are being charged without the taxi actually moving. The current maximum cycle at a junction within Dundee City is a two-minute cycle and this could potentially cost the passenger an additional 40p if the customer were to reach the junction at the beginning of the cycle. Waiting time was introduced for passengers who wish to break their journey for a specific purpose and while there is justification for this charge on those occasions the implications for breaking a journey should be looked into separately from that due to traffic congestion.
- 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 The taxi trade are considering removing the fixed extra cost of £1.60 over the festive period in future years and replacing this cost with a straight percentage increase over the festive period. This would have the effect of benefiting short taxi journeys that currently require paying the extra festive charge irrespective of the distance travelled. To consider this proposal all taxi drivers would require to be operating a clock calendar meter.
- 6.14 A summary is provided (Appendix A to F) which shows the overall percentage increases which would be applicable if the taxi trades request were to be approved.

7 CONSULTATIONS

7.1 The Chief Executive and Depute Chief Executive (Support Services) have been consulted and are in agreement with the contents of this report.

8 BACKGROUND PAPERS

8.1 There are no background papers of relevance to this report.

Mike Galloway Director of Planning & Transportation lain Sherriff Head of Transportation

IFS/MHD/EES

29 June 2005

Dundee City Council Tayside House Dundee

APPENDIX A

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile 2 miles	£2.80 £3.80	£2.80 £4.00	0.00 5.26
3 miles 4 miles	£3.80 £4.80 £5.80	£5.00 £6.20	4.17 6.90

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.00	£3.00	0.00
2 miles	£4.00	£4.20	5.00
3 miles	£5.00	£5.20	4.00
4 miles	£6.00	£6.40	6.67

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.20	£3.20	0.00
2 miles	£4.20	£4.40	4.76
3 miles	£5.20	£5.40	3.85
4 miles	£6.20	£6.60	6.45

APPENDIX B

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.40	£3.40	0.00
2 miles	£4.40	£4.60	4.55
3 miles	£5.40	£5.60	3.70
4 miles	£6.40	£6.80	6.25

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.60	£3.60	0.00
2 miles	£4.60	£4.80	4.35
3 miles	£5.60	£5.80	3.57
4 miles	£6.60	£7.00	6.06

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.80	£3.80	0.00
2 miles	£4.80	£5.00	4.17
3 miles 4 miles	£5.80 £6.80	£6.00 £7.20	3.45 5.88
	20.00	~	5.66

APPENDIX C

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.40	£3.80	11.76
2 miles	£4.40	£5.00	13.64
3 miles	£5.40	£6.00	11.11
4 miles	£6.40	£7.20	12.50

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.60	£4.00	11.11
2 miles	£4.60	£5.20	13.04
3 miles	£5.60	£6.20	10.71
4 miles	£6.60	£7.40	12.12

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£3.80	£4.20	10.53
2 miles	£4.80	£5.40	12.50
3 miles	£5.80	£6.40	10.34
4 miles	£6.80	£7.60	11.76

APPENDIX D

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£4.40	£4.40	0.00
2 miles	£5.40	£5.60	3.70
3 miles	£6.40	£6.60	3.13
4 miles	£7.40	£7.80	5.41

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£4.60	£4.60	0.00
2 miles	£5.60	£5.80	3.57
3 miles	£6.60	£6.80	3.03
4 miles	£7.60	£8.00	5.26

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£4.80	£4.80	0.00
2 miles	£5.80	£6.00	3.45
3 miles	£6.80	£7.00	2.94
4 miles	£7.80	£8.20	5.13

APPENDIX E

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.00	£5.00	0.00
2 miles	£6.00	£6.20	3.33
3 miles	£7.00	£7.20	2.86
4 miles	£8.00	£8.40	5.00

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.20	£5.20	0.00
2 miles	£6.20	£6.40	3.23
3 miles	£7.20	£7.40	2.78
4 miles	£8.20	£8.60	4.88

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.40	£5.40	0.00
2 miles	£6.40	£6.60	3.13
3 miles	£7.40	£7.60	2.70
4 miles	£8.40	£8.80	4.76

APPENDIX F

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

Were the increases requested by the Dundee Taxi Trade 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	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.00	£5.40	8.00
2 miles	£6.00	£6.60	10.00
3 miles	£7.00	£7.60	8.57
4 miles	£8.00	£8.80	10.00

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.20	£5.60	7.69
2 miles	£6.20	£6.80	9.68
3 miles	£7.20	£7.80	8.33
4 miles	£8.20	£9.00	9.76

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

	Current Fare 12/07/2004	Taxi Trade Proposal 2005	Overall %age increase
1 mile	£5.40	£5.80	7.41
2 miles	£6.40	£7.00	9.38
3 miles	£7.40	£8.00	8.11
4 miles	£8.40	£9.20	9.52