

**TRAFFORD COUNCIL**

DELEGATED EXECUTIVE MEMBER DECISION REPORT

**Report to:** Executive Member for Housing & Strategic Planning  
**Date:** 5<sup>th</sup> October 2017  
**Report for:** Decision  
**Report of:** Head of Regulatory Services

Report Title

**Review of Taxi Fare Structure – 2017**

Summary

**This report provides details and results of a review of the Council's current Taxi Fare Tariff.**

Recommendation(s)

**To recommend:**

- (1) That the recommended variation to the current Fare table shown at Annex 2 be approved;**
- (2) That the recommended variation to the current Fare table shown at Annex 2, be subject to a regulatory public consultation period of 14 days by way of public notice;**
- (3) That the recommended Fare table shown at Annex 2, become effective on the date specified in the notice unless objections are received, in accordance with sections 10 and 11 of the report.**

## Implications

Financial Implications:	Other than minimal administration costs associated with the process for changing the Taxi Fare structure there are no costs that impact on the Council.
Legal Implications:	The Executive Portfolio Holder for Housing & Strategic Planning has the delegated powers to exercise the Council's rights under section 65 of the Local Government Miscellaneous Provisions Act 1976 to set taxi fares within the Borough.
Human Resources Implications:	None to the Council, implicit to the impact on users of Hackney Carriages and drivers.
Asset Management Implications:	None to the Council, implicit to the impact on users of Hackney Carriages and drivers.
E-Government Implications:	None to the Council, implicit to the impact on users of Hackney Carriages and drivers.
Risk Management Implications:	None to the Council, implicit to the impact on users of Hackney Carriages and drivers.
Health and Safety Implications:	None to the Council, implicit to the impact on users of Hackney Carriages and drivers.

## Background Information

1. The last review of fares was undertaken in September 2013.
2. There has been no increase to the taxi fare structure since the last approved changes on 19 September 2013. The current fare structure is attached at Annex 1.
3. A written request was received from the Taxi Trade Owner Drivers Association (TTODA) on 1 March 2017 to review the taxi fare structure. The Council followed this up by inviting the 3 Trade organisations representing the Hackney Carriage drivers, (TTODA, ATTD and GMB) to a meeting to establish background data and cost drivers in order to establish whether a new fare structure was required.
4. The Public Protection Sub-Committee was requested by the Executive Portfolio Holder for Housing & Strategic Planning to review the current Taxi Fare Tariffs, taking into account relevant factors, and the request made by the T TODA on 1 March 2017.
5. This report provides details of the process undertaken, which advises an average Fare increase of 6.5% for journeys of up to 25 miles, as outlined in paragraphs 3 to 8. The proposed Fare table is at Annex 2, and a comparison to fares across Greater Manchester is at Annex 3.

## Recommended Fare Structure

6. Following two meetings with the Trade representatives which attended (TTODA and ATTD), the varied Fare table attached at Annex 2 is recommended by the Public Protection Sub-Committee, with the % changes since last set in 2013 summarised below:

- the current taxi fare structure to be increased by 6.5% on average across journeys of 1 to 25 miles broken down as follows:

Journey Distance	Proposed Fare (£)	% Increase from 2013
1 Mile Journey	3.60	12.50%
2 Mile Journey	5.80	7.41%
3 Mile Journey	8.00	5.26%
5 Mile Journey	12.60	6.78%
10 Mile Journey	24.00	6.19%
25 Mile Journey	58.00	5.84%

- no other changes, such as Tariff hours, or additional charges for extra passengers or clearing of soiling are proposed.
7. The recommended change in fare structure is broken down as follows:

	Current		Proposed	
	yards	£	yards	£
First Flag Fall	815	2.00	800	2.20
Subsequent Yardage	164	0.20	155	0.20

8. In support of an increase to the current Taxi fares, the TTODA state:

*'The TTODA would like to ask for a fare increase that was discussed of 7.5% in line with the formula'*

The ATTD state:

*'Following the meeting on Monday 24th July and further consultation with members, the Association of Trafford Drivers would like to request the Council consider a fare raise of approximately 7.5% to the current table of fares, as was outlined in the meeting on the 24th July using the present fare formula'*

Please note: The recommended increases to the Fare Table are: 6.5% being the average increase across all fares and 7.5% being the increase for a 2 mile journey.

9. The Council has used all major elements to assist in determining an appropriate Taxi Fare increase:
- An analysis of the major cost drivers of operating a Taxi, such as fuel, the cost of a vehicle, insurance, maintenance etc. to determine an average annual cost of running the Taxi. The fare structure is then adjusted based on annual mileage, waiting and alighting times, and average speed data so that the increase in income matches as close as possible to the current costs agreed in the meetings with the Trade.
  - A comparison of the recommended Fare table with that of other Greater Manchester Boroughs is shown at Annex 3.
10. The data used is as independent as possible of the Council and Taxi representative bodies, and uses robust data sources such as the AA and the Office for National Statistics.

### **Comparison with Greater Manchester**

11. The Fare table requested by the trade representatives following the review of costs and changes in the driving environment has been compared to the average cost of a 2 mile journey with the other nine Metropolitan Borough areas within Greater Manchester. The detailed comparison is at Annex 3, however, it can be summarised as:
- The recommended Fare table shows Trafford as the joint highest price for a 2 mile journey, but it must be noted that of the other 8 authorities, the

most recent increase by any of them has taken place in 2013 and with 2 of the authorities not having increased fares since 2008.

- The waiting time per minute charge has not been proposed to be increased and remains the second highest in Greater Manchester, being exceeded only by Manchester.

## OTHER OPTIONS

12. An alternative option would be not to change the current Fare table. The effect of this option would be that taxi users would continue to pay the current rate of fares, but the taxi drivers/owners, according to the Council's financial model, may not be able to fully recover all their operating costs.

## CONSULTATION

13. Any changes to the Fare table would be subject to a statutory public consultation lasting for period of 14 days. If no objections are received within that period then the recommended variation to the table of fares will come into effect on the date specified in the notice. If objections are made within the consultation period, then the Director of Growth and Regulatory Services, in consultation with the Head of Regulatory Services, would be required to identify a further date, which will be no later than two months after the first specified date, in which to consider the objections and to make a further recommendation about a variation to the Fare table.
14. Where objections are received pursuant to section 10 of this report, a further report identify further recommendations will be submitted to the Executive Member for Housing & Strategic Planning for consideration and approval.

## REASONS FOR RECOMMENDATION

15. The Taxi Trade has requested an increase to the fares to cover the increase in their operating costs, the rate of which is confirmed by the Council's independent financial model.

Key Decision            **No**

Finance Officer Clearance: PC

Legal Officer Clearance: DA

CORPORATE DIRECTOR'S SIGNATURE



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**CURRENT TABLE OF FARES**

A discount of 20p shall be given to passengers over 60 or disabled passengers who present (at the start of the journey) a National Concessionary Travel Pass issued after 1<sup>st</sup> April 2008

**Charge  
(Inclusive of V.A.T.)**

FOR A DISTANCE OF UP TO 815 YARDS (745 METRES)	£2.00
For the first 815 yards (745 metres)	£2.00
For each subsequent 164 yards (150 metres) thereafter (or uncompleted part thereof)	20 pence
<b>WAITING TIME</b>	
For each period of 1 minute (or uncompleted part thereof)	28 pence
<b>EXTRA CHARGES (for the whole distance)</b>	<b>Normal daytime rates plus 33 1/3</b>
For hirings commencing between 11 pm and 6 a.m.	
For hirings commencing after 7 p.m. on Christmas Eve and New Year's Eve and all day on Christmas Day, Boxing Day and New Year's Day and (where appropriate Christmas Bank Holiday)	Double normal daytime rates
<b>SOILING CHARGE</b>	<b>£30.00</b>
<b>WHERE MORE THAN ONE PERSON IS CARRIED</b> , a charge of 20p may be levied for each additional person up to a maximum of 80p for vehicles licensed to carry up to five persons and a maximum of £1.00 for vehicles licensed to carry up to six persons (‘Babies’, i.e. children not capable of using a seat belt, shall be defined as persons for occupancy purposes but shall not be classed as fare paying passengers)	20 pence per additional person

If you have an enquiry about the fare you were charged  
please ring Trafford Council on :

**0161 912 4144**

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**RECOMMENDED TABLE OF  
FARES**

A discount of 20p shall be given to passengers of state pension age or disabled passengers who present (at the start of the journey) a valid National Concessionary Travel Pass (NCTP)

	<b>Charge (Inclusive of V.A.T.)</b>
FOR A DISTANCE OF UP TO 800 YARDS (732 METRES)	£2.20
For the first 800 yards (732 metres)	£2.20
For each subsequent 155 yards (142 metres) thereafter (or uncompleted part thereof)	20 pence
<b>WAITING TIME</b>	
For each period of 1 minute (or uncompleted part thereof)	28 pence
<b>EXTRA CHARGES (for the whole distance)</b>	
For hirings commencing between 11 pm and 6 a.m.	Normal daytime rates plus 33 1/3
For hirings commencing after 7 p.m. on Christmas Eve and New Year's Eve and all day on Christmas Day, Boxing Day and New Year's Day and (where appropriate Christmas Bank Holiday)	Double normal daytime rates
<b>SOILING CHARGE</b>	£30.00
<b>WHERE MORE THAN ONE PERSON IS CARRIED</b> , a charge of 20p may be levied for each additional person up to a maximum of 80p for vehicles licensed to carry up to five persons and a maximum of £1.00 for vehicles licensed to carry up to six persons (‘Babies’, i.e. children not capable of using a seat belt, shall be defined as persons for occupancy purposes but shall not be classed as fare paying passengers)	20 pence per additional person

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Annex 3

Comparison of Taxi Fares across Greater Manchester Authorities – Tariff 1

Authority	Last Increase	2 mile Journey		Waiting per minute		Soiling Charge		Extra Passenger Charge (each)	
		£	£	£	£	£	£	£	£
Bolton	2008	£5.25	£0.24	£30	no extra charge				
Bury	2008	£5.24	£0.27	£30	no extra charge				
Manchester	2014	£5.70	£0.31	£30	20p after 1 passenger				
Oldham	2012	£5.50	£0.27	£25	10p after 1 passenger				
Rochdale	2011	£4.80	£0.20	£25	10p after 1 passenger				
Salford	2011	£5.30	£0.13	£30	10p after 1 passenger				
Stockport	2013	£5.80	£0.24	£30	20p after 1 passenger				
Tameside	2012	£5.60	£0.24	£20	20p after 1 passenger				
Wigan	2011	£5.10	£0.21	£30	£1 after 4 passengers				
Trafford Proposed	2017	£5.80	£0.28	£30	20p after 1 passenger				