

MANCHESTER CITY COUNCIL REPORT FOR RESOLUTION

REPORT TO: Licensing and Appeals Committee
DATE: 16 March 2009
SUBJECT: Hackney Carriage Annual Fare Increase
REPORT OF: Head of Street Management and Enforcement

Purpose of Report

To present for the Committee's consideration an objection received in relation to the proposed hackney carriage annual fare increase.

Recommendations

That the Committee considers the objection to the fare increase and makes recommendations to Council for the April 2009 to April 2010 hackney carriage fare increase either

- to increase the proposed daytime and nighttime fares by 3.76% as calculated using the Halcrow Manchester Formula; or
- to modify the proposed fare increase as decided by the Committee at its meeting on the 19 January 2009.

Financial Consequences for the Revenue Budget

None.

Financial Consequences for the Capital Budget

None.

Contact Officers

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Wards Affected

All.

Background Papers

Local Government (Miscellaneous Provisions) Act 1976
Halcrow/ Manchester Formula

Contact Officer for retrieval of background documents – Ann Marku 234 4366

Implications for:

Anti-Poverty	Equal Opportunities	Environment	Employment
Yes	No	No	Yes

Employment and Anti Poverty Implications

The increase in fares represents the increased costs as determined by the Manchester Halcrow formula. An increase in hackney carriage fares will increase the cost of public transport for passengers.

REPORT

1. Background

- 1.1 On 19 January 2009 the Licensing and Appeals Committee considered a report in relation to the annual hackney carriage fare increase.
- 1.2 The Committee recommended an annual increase in daytime and nighttime hackney carriage fares of 3.76% as calculated using the Halcrow Manchester Formula.
- 1.3 Section 65 of the Local Government (Miscellaneous Provisions) Act 1976 states that the City Council is required to advertise the proposed fare increase and consider any objections received.
- 1.4 The proposed fare was subsequently advertised in the Manchester Evening News. Any objections to the fare had to be received no later than 19 February 2009.

2. Objections Received

- 2.1 On 18 February 2009, an e-mail was received by the Licensing Unit Manager from a group of twelve hackney carriage drivers / proprietors raising an

objection to the fare increase. The objection has been reproduced at **Appendix A.**

- 2.2 In accordance with legal requirements, the Committee is required to consider the objections outlined above and introduce a fare tariff, with or without modification, by 1 June 2009 ie not later than 2 months after the initial specified date of implementation namely 1 April 2009.
- 2.3 Each of the objectors has been contacted and informed that their objections are to be considered by the Licensing and Appeals Committee.

3. Fare Card

- 3.1 At a taxi trade liaison meeting on 19 February 2009 a representative of the Taxi Owners and Drivers Association (TODA) proposed that a further line of text be added to the fare card "Up-Front Payment – Drivers may ask you to pay an estimated fare / deposit up front – if you disagree you may be refused travel". The proposed fare card is attached at Appendix B including the requested statement.

4. Officers' comments

- 4.1 There are 2078 hackney carriage drivers currently licensed by Manchester City Council. The proportion of drivers who have objected to the fare increase is relatively small.
- 4.2 The proposed fare is a maximum fare and within the legislation it is permissible for a driver to charge a lesser fare than that shown on the meter.
- 4.3 It was agreed on 4 June 2007, following consultation with the trade, that an annual fare increase should be adopted. The Manchester Halcrow Formula was devised to produce a fare increase that reflected the change in costs associated with the operation of a hackney carriage.
- 4.4 The fuel surcharge of 20p per journey will cease once the annual fare increase takes effect.
- 4.5 A postponement of the fare increase, and regular review over the next few months as proposed by the objectors, would be costly in terms of officer time and re-advertising costs which would ultimately be borne by the hackney carriage trade.
- 4.6 In respect of the request from TODA regarding the inclusion of an additional statement on the fare card, the City Council has a byelaw which specifies "that a driver of a Hackney Carriage when standing or plying for hire when requested by a person hiring or wishing to hire the carriage shall unless he has reasonable cause to refuse to do so, convey that person in the carriage from any point within the city to any point four miles from the city boundary."

- 4.7 A similar provision under Section 53 of the Town Police Clauses Act 1847 makes it an offence for a Hackney Carriage driver to refuse a fare within the prescribed distance without reasonable excuse.
- 4.8 Whether the driver has reasonable excuse/cause will depend on the circumstances of the case, for example if the driver knows the passenger has not paid a fare in the past he / she may have a reasonable excuse to refuse to take him or her without advance payment. In other circumstances, for example if a passenger, who may be vulnerable has lost their purse/wallet but can pay at the destination, the driver may not have a reasonable cause to refuse to take them. Whether an offence is committed by the driver will depend on the circumstances of the case.

5. Conclusion

- 5.1 This report provides the Committee with details of an objection to the annual hackney carriage fare increase.
- 5.2 The report also provides a request from the Taxi Owners and Drivers Association (TODA) to add an additional line of text to the fare card indicating that a driver may request an estimated fare / deposit prior to the journey commencing, and that refusal by the passenger to give a deposit / advance payment may lead to a refusal to accept the passenger.
- 5.3 The Committee is asked to consider the objection to the fare increase and the proposal from TODA, and to make recommendations to Council for the April 2009 to April 2010 hackney carriage fare increase either
- to increase the proposed daytime and nighttime fares by 3.76% as calculated using the Halcrow Manchester Formula; or
 - to modify the proposed fare increase as decided by the Committee at its meeting on the 19 January 2009;

and to decide whether to incorporate the request by TODA for an amendment to the fare card.

Appendix A

Dear Councilors,

We are a group of licensed drivers, not affiliated to any one organisation or allied to a particular group whose views are not represented by a union or association.

We wish to place on record our objection to the proposed hackney carriage fare increase on the grounds that any rise would be inappropriate at the present time and not acting in the best interests of the travelling public in Manchester.

It is right to say that over the past few years our trade has experienced a fairly stable period in line with other businesses and people have enjoyed having a certain amount of disposable income in their pockets. However, as we all know, there has been a huge financial upheaval in recent months and our trade has suffered a significant fall off in business with non-essential local journeys declining considerably. By local trade we mean regular users, those residents living in or near the city who use taxis regularly and not passengers arriving at Piccadilly Station for example who may well not question the going rate.

Incidentally, it is not uncommon now to see sixty cabs waiting in the adjoining streets around Piccadilly station waiting to join the main rank.

Though we would normally be pleased to accept any fare rise without hesitation we feel that any increase right now would appear unjustified to the travelling public especially in the current economic climate. The recent 20p surcharge allowed to offset the summer fuel price increase has already caused some irritation amongst passengers as fuel is again cheaper but a fare rise right now has the potential to seriously damage local trade.


It is generally accepted that people are finding it more difficult to plan ahead now and worry about their jobs and mortgages. We, of course, are all in the same boat, and we too are finding it increasingly difficult to make a living. However, it cannot be helpful to be seen to be moving in

the opposite direction by requesting a fare increase and we would respectfully ask for a postponement and regular review during the next few months.

I, as a licensed hackney carriage driver in the City of Manchester strongly object to the proposed fare increase				
Date	Name	Signed	Badge No	Plate No
27/01/2009	Mr Ian Reid	Yes	8788	940
30/01/2009	Mrs Jayne Devanney	Yes	9374	843
30/01/2009	Chistopher Nuttall	Yes	8366	925
30/01/2009	David Romagnoli	Yes	3156	666
30/01/2009	Barry Green	Yes	8490	84
30/01/2009	Ian Murray	Yes		308
30/01/2009	Chris Subachug	Yes	2263	30
04/02/2009	Leslie Reid	Yes	8764	186
04/02/2009	John Hume	Yes	9664	574
06/02/2009	Graham Johnson	Yes	9553	844
13/02/2009	Kevin Robinson	Yes	8415	255
13/02/2009	Frank Wheelden	Yes	4011	642

Regards

PROPOSED NEW STYLE FARE CARD SHOWING PROPOSED TARIFF

 MANCHESTER CITY COUNCIL	PUBLIC TAXI FARES AND CHARGES (with effect from 1 April 2009) Fares detailed below are the MAXIMUM fares which may be charged	CAB NUMBER			
DAY(5.00am until 10.00pm)					
First 464.55 yards (425m)		£ 2.30			
then for every 218.67 yards (200m) or part thereof		20p			
Waiting time every 44.9 seconds (£2.67 per 10 mins, £16.03per hour)		20p			
NIGHT (10.00pm until 5.00am) [Bank Holidays and Good Friday 24hrs]					
FIRST 281.6 yards (257.50m)		£ 2.80			
then for every 164.3 yards (150.23m) or part thereof		20p			
Waiting time every 33.7seconds (£3.56 per 10 mins, £21.36 per hour)		20p			
EXTRAS					
Christmas / New Year 8pm on 24 December until 5am on 27 December 8pm on 31 December until 5am on 2 January		Night rate plus 50%			
For each passenger additional to hirer (for the purpose of the fare only, two children count as one passenger)		20p			
For each article of luggage carried outside of the passenger compartment		20p			
For journeys through Piccadilly Station taxi rank barrier		20p			
Fuel surcharge (per journey) to be added if the price of diesel is £1.30 per litre or above		20p			
For journeys from Manchester Airport through barrier		70p			
Fouling charge		£20.00			
Some taxis accept credit or debit cards typically with a surcharge of between 10% and 15%					
AVERAGE COST (not including any waiting time)					
	<u>DAY</u>	<u>NIGHT</u>		<u>DAY</u>	<u>NIGHT</u>
1 mile (1.6km)	£3.60	£ 4.60	7 miles (11.3km)	£13.40	£17.60
3 miles (4.8km)	£7.00	£ 9.00	9 miles (14.5km)	£16.60	£21.80
5 miles (8.0km)	£10.20	£13.20	10 miles (16.1km)	£18.20	£24.00
UP-FRONT PAYMENTS – Drivers may ask you to pay an estimated fare/deposit up- front. If you do not agree you may be refused travel					
Where a destination falls outside the Greater Manchester County or 4 miles from the nearest point of the City boundary the fare should be negotiated with the driver, before commencement of the journey. If fare is not negotiated before commencement, meter fare ONLY should be charged. IF YOU HAVE ANY QUERIES REGARDING THIS, ASK TO SEE THE DRIVER'S COPY OF THE BOUNDARY MAP.					
COMPLAINTS AND LOST PROPERTY - PLEASE CONTACT: Manchester City Council, Licensing Unit, Town Hall Extension, Manchester, M60 2LA Telephone: 0161 234 4917 email: licensing@manchester.gov.uk Fax: 0161 274 7036					
To request a copy of this document in large print please call 0161 234 4858					