

Submission on behalf of Whitesides Taxis and their Hackney Drivers

re Hackney Carriage Fares

1) Suggestion that there be an increase in hackney fares

The Council's policy on Hackney Fares is that increases should generally be limited to the % increase in fares according to the Private Hire Taxi Magazine table of hackney fares. Whitesides and their drivers would submit that the Council ought to consider a higher rise this year: a rise in line with the increase in the Consumer Price Index since fares were last increased in 2014.

The national average PHTM 2 mile tariff 1 fare at September 2017, last time the average fare was published, is £5.74. The national average 2 mile tariff 1 fare in January 2014, when fees were last increased was £5.57. So the increase in national fares over the last 3 years 9 months 17 p or 3.1%

The Fylde 2 mile tariff 1 fare as per PHTM is £5.80 so an increase of 3.1% would be 20 p¹ to £6.00.

Using the PHTM figures does not produce an increase which is in line with the general increase in prices, CPI, (Consumer Price Index) since January 2014. An increase in line with the CPI would reflect the overall day to day increase in business and personal expenditure that drivers have faced since January 2014.

Inflation, as measured in the CPI has increased by more than the increase in tariff 1 2 miles fares as set out in PHTM. The difference in prices from January 2014 to October 2017 is 4.6%. So a rise in the Fylde Hackney fares in line with the change in CPI since January 2014 would lead to an increase in the 2 mile tariff 1 fare of 30 p to £6.10, rounding figures to the nearest 5 p.

The costs faced by Hackney Drivers have increased since 2014. Some of those increases have been relatively modest, others have been substantial. Please see the table below which relates to an individual driver and provides an insight into the increases in costs faced by a typical Hackney Carriage driver since 2014.

¹ If rounding to the nearest 5 p.

Year	Expenditure item					
	Insurance	Fuel (weekly) ²	Pit test	Vehicle service ³	Tyres ⁴	Private Hire Rent ⁵
2014	£995	£117.90	£176	£120	£108	£165
2015	£1016	£107.90	£176			
2016	£1040	£122.90	£176			
2017	£1315	£120.90	£180	£160	£156	£180
% increase between 2014 & 2017	32.2%	2.5%	2.3%	30%	28.3%	9.1%

Vehicle parts and labour for routine maintenance and servicing. Please see a letter from Shaw and & Wright to Whitesides which indicates that the general increase in the costs of parts and labour is in the region of 5% from 2013 to today.

What must also be remembered is that Hackney Carriage drivers have also faced the more general increase in the CPI, 4.6% since January 2014, in their own personal expenditure.

Whitesides and their drivers believe that in the light of the above figures it would be appropriate for the council to consider an increase in Hackney fares in line with the CPI rather than the increase in national Hackney Fares in the PHTM magazine. When considering the increase sought it is important to remember that it would be a 30 p increase in a 2 mile tariff 1 journey to £6.10 rather than a 20 p increase to £6.00.

2) Other increases sought

Increase extras – passengers and luggage

It is submitted that it is appropriate to double these from 20 p to 40 p. These extras have not been increased in over 25 years. Such an increase would not generally penalise those who rely upon hackney vehicles to get around for daily routine journeys like shopping. It would provide a modest increase in driver income, which would be well received by the trade as a whole.

1.5x Tariff when 5 or more passengers carried in an MPV

The council is requested to add a tariff for MPVs and minibuses when carrying 5-8 passengers of x1.5 of the flag fare, which a number of local authorities such as Brighton and Dover amongst others already charge. This would encourage the purchase of larger wheelchair accessible hackneys, which are premium vehicles and the most comfortable wheelchair accessible vehicles onto the fleet. Hopefully this would then mean that the quality of the vehicles on the fleet would be

² It is believed that fuel prices are likely to rise in the near future.

³ Given the mileage that Hackney Vehicles do, at least two services per year are normal.

⁴ Same brand of budget tyres. Tyres need to be replaced on average every 20,000 miles. Mileage of 50,000 a year for private hire work is not unusual.

⁵ A weekly charge to Private Hire Operator, the increase includes an £8 weekly charge for card payment facilities, which many customers wish to use. In an increasingly competitive market Operators are having to spend more on marketing and computerised systems such as booking apps and booking and dispatch systems to remain competitive. The majority of Hackney Drivers in Fylde work for an operator to supplement the work they receive from the ranks by working for a Private Hire Operator.

improved overall. Whitesides find it difficult to encourage drivers to purchase larger vehicles capable of carrying 5 or more passengers. A 1.5x tariff would also encourage groups of customers to use larger vehicles, because groups of more than 4 would travel in one vehicle, rather than having to hire two vehicles. The cost to the customer would therefore be reduced. Additionally vehicle journeys would be reduced, which would have the positive effect of reducing pollution.

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