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Yalding Taxis



Licensing Services
Tonbridge & Malling Borough Council
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5th January 2022

Objection to proposed increase of hackney carriage fares

Dear sir/madam

I hereby formally object to the proposed increase of the carriage fares.

Reason 1

My primary reason for this is not because I feel that the increase is too high or too low, it is from a viewpoint of customers and drivers exchanging cash, but also from a viewpoint of simplicity for the general public, and indeed the drivers and operators, to understand and calculate 'on the spot' what a given fare is likely to come to.

The current proposal is for the Tariff 1 flag to increase from £3.00 to £3.50. This means that Tariff 2 (+50%) would start at £5.25 with increments of 30p.

I do not feel that the drivers, or indeed the general public, particularly want to deal with five pence pieces these days. Let's face it, many drivers routinely fail to carry a sufficient float in order to dispense the correct change for each fare as it is already, I do not think that many drivers require any further encouragement to demonstrate such behaviour.

My proposal

I propose selecting one of the rows from the table below as the flag, this would keep the exchange of cash between customers and drivers far simpler and more efficient:

Tariff 1	Tariff 2	Tariff 3
£3.00	£4.50	£6.00
£3.20	£4.80	£6.40
£3.40	£5.10	£6.80
£3.60	£5.40	£7.20
£3.80	£5.70	£7.60
£4.00	£6.00	£8.00
£4.20	£6.30	£8.40
£4.40	£6.60	£8.80
£4.60	£6.90	£9.20
£4.80	£7.20	£9.60
£5.00	£7.50	£10.00

With regard to making the fare chart simpler and easier for the customers and drivers to understand and estimate the cost of a given fare, I would propose changing the wording on the fare chart for the increments from:

'20p per 135 yards' as it is currently, to my proposal of:

'20p per 1/13 of a mile (£2.60 per mile)'

1/13 of a mile works out at 135.3846154 yards (you could have 135.38 yards in brackets, which is how Tunbridge Wells Borough Council have formatted it on their fare chart). This obviously changes the mileage rate very fractionally by 0.28% so would actually decrease the mileage rate from £2.6074 to exactly £2.60 but as I am sure you can appreciate makes things far simpler for customers and drivers to understand (people work out journey distances out in miles, not in yards or meters).

'£3.00 for the first 0.5 miles and £2.60 per mile thereafter' is far easier to interpret than

'£3.00 for the first 0.5 miles and 20p per 135 yards thereafter'

Some drivers and operators may object to the 0.28% decrease in mileage rate, but this can easily be more than offset by a change to the flag, which brings me to my next point.

Reason 2

While I do agree that no increase to the mileage rate is warranted at the moment, I feel the proposal of a 50p increase to the flag does not go far enough. TMBC already has the highest mileage rate in the county and one of the highest in the country. The only other licencing authority in the country that I am aware of that has a higher mileage rate than TMBC is Transport for London Public Carriage Office; currently at £2.84 per mile (which isn't far off what the TMBC mileage rate is already at £2.61 per mile). Please see the table below for comparison:

Tariff 1	Flag		Increment		Per Mile
	£	Yards	£	Yards	£
London	£3.20	248.25	£0.20	124.13	£2.84
Tunbridge Wells	£4.00	1408.00	£0.20	135.38	£2.60
Tonbridge and Malling	£3.00	880.00	£0.20	135.00	£2.61
Maidstone	£2.80	654.53	£0.20	153.54	£2.29
Sevenoaks	£4.20	1232.00	£0.22	176.00	£2.20
Gravesham	£2.80	320.00	£0.20	160.00	£2.20
Ashford	£2.80	680.00	£0.20	166.70	£2.11
Medway	£3.00	190.00	£0.20	190.00	£1.85
Swale	£3.00	437.45	£0.10	96.24	£1.83
Canterbury	£3.00	220.00	£0.10	98.00	£1.80
Folkestone and Hythe	£3.00	586.00	£0.20	195.50	£1.80
Dover	£3.40	400.00	£0.10	103.50	£1.70
Thanet	£3.00	700.00	£0.20	240.00	£1.47

Comparison of prices for given journey distances can be seen here:

Tariff 1	Journey Distance (miles)					
	0.5	0.8	1	2	5	10
London	£4.40	£5.20	£5.80	£8.60	£17.00	£31.20
Tunbridge Wells	£4.00	£4.00	£4.60	£7.20	£15.00	£28.00
Tonbridge and Malling	£3.00	£3.80	£4.40	£7.00	£14.80	£27.80
Maidstone	£3.20	£3.80	£4.40	£6.60	£13.60	£25.00
Sevenoaks	£4.20	£4.42	£4.86	£7.06	£13.66	£24.66
Gravesham	£3.60	£4.20	£4.60	£6.80	£13.40	£24.40
Ashford	£3.20	£3.80	£4.20	£6.40	£12.60	£23.20
Medway	£3.80	£4.40	£4.80	£6.60	£12.20	£21.40
Swale	£3.50	£4.10	£4.40	£6.30	£11.70	£20.90
Canterbury	£3.70	£4.30	£4.60	£6.40	£11.80	£20.80
Folkestone and Hythe	£3.40	£4.00	£4.40	£6.20	£11.60	£20.60
Dover	£3.90	£4.40	£4.80	£6.50	£11.60	£20.10
Thanet	£3.20	£3.60	£4.00	£5.40	£9.80	£17.20

I could not obtain figures for Dartford Borough Council as their fare chart is not available on their website, but I believe that their rates are roughly in line with Gravesham and Medway.

I am aware of many drivers collectively submitting proposals for something in the region of a 30p to 40p per mile increase. What ever makes them think that we should be charging more than the black cabs in London is a genuine mystery to me! Clearly the only equation that has occurred to most of these people is *“if I can charge more for each fare, I will earn more money”*. The more realistic and grounded ones among us will realise that, similar to the Laffer curve in tax economics, such a massive hike in mileage rate will only result in fewer people getting a taxi (especially for the longer fares) and making other more cost-effective arrangements (such as driving themselves, getting a lift from a relative or friend, cycling or walking). There’s a reason why Tesco don’t charge £10 for a loaf of bread – nobody would buy them!

In any case, a mileage increase would only affect the longer distance fares anyway. If you took a survey of drivers who work the rank and asked them if they would prefer to do one £30 fare or ten £3 fares (waiting an hour or two between fares) I don’t think it would take a genius to estimate the results of the survey! Contrary to popular belief, even among drivers themselves, drivers are actually already perfectly happy with the rates on the longer fares as they are. Any driver would be happy to get a £10 fare off the rank with the rates as they are already. A mileage rate increase isn’t going to make an appreciable difference on any fare under £10.

On the longer fares, however, take a 15 mile fare for example; works out £40.80 on the current rate. This is already eye-wateringly expensive, and I’ve got to be honest I think you would find most drivers would be willing to be negotiated down to around £30 for a 15 mile fare if it was a choice of that or the customer waiting for the next train and the driver losing out on the fare completely and getting the next person who walks round the corner wanting to go up the road for £3.00. Add 40p per mile to that and it adds £6 to the fare. The prospect of parting with the best part of £50, instead of a shade over £40, would make all the difference between that customer getting a taxi or not in many circumstances.

Already most customers are haggling a set fare for anything over 10 miles in any case because they remember how expensive it was the last time they got stung for nearly £30 for a 10 mile journey so will try to negotiate a £20 or £25 set fare with the driver.

So what is the point of increasing the mileage rate if all it is going to do is result in fewer longer fares for the drivers and even more haggling from the customers for set fares?

What most drivers do object to, however, is waiting between one and three hours between fares and getting a £3 fare. I do agree that the flag price either needs to be increased and/or the flag distance reduced.

I am confident that the council would deem a 30p or 40p increase on top of an already eye-watering and nationally chart-topping mileage rate to be ludicrous, and you do not need me to point out the obvious, however I felt it necessary to point out that not everyone is in the “we want a higher mileage rate” brigade, and that some of us stakeholders do actually have our heads screwed on!

My proposal

I propose to implement one or both of the following:

Increase the flag from £3.00 to £4.00 with a view to increase it again in January 2023 to £5.

Decrease the flag distance from 0.5 miles to 0.1 mile or simply to the same distance as one 20p increment (1/13 of a mile or 135 yards or 135.38 yards, whatever the final decision on the increment distance is), this is what Medway have done with their rates, the flag distance is the same as the subsequent increment distance, so the meter starts ticking up virtually straight away.

If the council feels that increasing the flag to £4.00 would be too much for the public to withstand in one hit, I would propose the following instead:

Increase the flag from £3.00 to £3.40 with a view to increase it again six months afterwards to £3.80, again 6 months afterwards to £4.20, again 6 months afterwards to £4.60 and finally again 6 months afterwards to £5.00. Achieving an increase to £5.00 by January 2024.

Further proposal

I would like the licensing committee to consider setting out in policy that a fare increase be implemented every 12 months with the mileage rate to be index linked. The reason there is generally public outrage when the fares go up is because it's generally 4 or 5 years between increases, the amount of inflation that occurs in that time usually warrants a substantial increase and so it comes as a shock to regular taxi users when an increase is implemented.

The last mileage increase we had was in 2017 and the one before that was 2013. The mileage rate was £2.27 in 2013 and went up to £2.61 in 2017. That's nearly a 15% increase and so of course the public were shocked.

Shops and supermarkets do not suddenly increase their prices by 15% every 4 or 5 years. If they did there would be public outcry there too. Prices creep up gradually. I do not see why the taxi trade should be any different.

I would like the council to consider index linking the mileage rate every 12 months (once a £5 flag has been obtained following periodic flag increases). A small, almost unnoticeable increase every 12 months rather than a hefty hike every 4 or 5 years. It could be index linked, either to CPI, CPIH or RPI. In fact, the council could set out in policy that the increase is determined by whichever of the three indexes is the lowest that year, thereby giving the general public the benefit of the doubt. I'm sure most stakeholders would be in favour of this measure, and it would negate the need for a lengthy debate on the subject every 4 or 5 years.

I apologise for the lengthy letter but I wanted to be thorough in my reasons and proposals, I am grateful for the time taken to read this as I am sure you will have many objections to sort through.

Yours faithfully

Michael Stead

