

BOURNEMOUTH TAXI TRADE ASSOCIATIONS

MR CHAIRMAN, BOARD MEMBERS – FIRSTLY LET ME THANK YOU FOR GRANTING THE TAXI TRADE THIS DEPUTATION.

EACH YEAR THE TAXI TRADE SENDS A DEPUTATION TO THE LICENSING BOARD FOR APPROVAL OF THE INTENDED TARIFF APPLICATION TO APPLY FROM 1ST APRIL 2017.

MY NAME IS KEVIN HOLMES (CHAIRMAN OF THE JOINT TAXI TRADE ASSOCIATION) & TO MY RIGHT IS BOB RAYNER (OUR NEWLY APPOINTED SECRETARY)

I WILL SET OUT THE TARIFF INCREASE WE ARE APPLYING FOR ALONG WITH OUR REASONS & CALCULATIONS & THEN WE WILL BE OPEN TO ANY QUESTIONS OR CONCERNS YOU MAY HAVE.

OUR CALCULATIONS ARE BASED ON THE OVERALL INCREASE IN THE COST OF MOTORING (AA FIGURES) COMBINED WITH THE AVERAGE WAGE INCREASE ACROSS THE UK OVER THE PAST 12 MONTHS.

TO CUT TO THE CHASE, THIS COMING YEAR WE ARE ASKING FOR AN OVERALL INCREASE IN FARES OF 2.5%. WE ARE NOT PROPOSING ANY CHANGE IN THE RUNNING IN/BOOKING FEE, START PRICE OR WAITING TIME. WE WOULD HOWEVER ASK YOU TO CONSIDER INCREASING THE CURRENT SOILING CHARGE FROM £50 TO £75.

THERE ARE 4 AREAS OF EXPENSE FOR OUR TRADE :

- 1) FUEL
- 2) INSURANCE
- 3) SERVICING & REPAIRS
- 4) LICENCE FEES & MEDICALS

AS I AM SURE YOU ARE ALL AWARE AT THIS TIME LAST YEAR FUEL COSTS WERE APPROXIMATELY £1.00 PER LITRE. TODAYS PRICE IS £1.24 PER LITRE (AN INCREASE OF 24%) & IN ALL HONESTY THE FORECASTS ARE THAT THE PRICE WILL CONTINUE TO RISE OVER THE COMING 12 MONTHS. THE AVERAGE TAXI DRIVER FILLS UP TWICE A WEEK (APPROXIMATELY 100 LITRES), SO THEREFORE ON AVERAGE THE TAXI DRIVER IS £24 PER WEEK WORSE OFF THAN LAST YEAR.

INSURANCE IS AT THE HIGHEST LEVEL IT HAS EVER BEEN (REPORTED BY THE BBC LAST WEEK) & HAS RISEN BY 10% IN THE PAST 12 MONTHS. UNLIKE THE EVERYDAY MOTORIST WE ARE NOT ABLE TO SEARCH ONLINE OR THROUGH COMPARISON WEBSITES FOR THE BEST DEAL. THE TAXI TRADE IS LIMITED TO ABOUT 5 OR 6 SPECIALIST INSURERS. AGAIN THE AVERAGE COST OF TAXI/PRIVATE HIRE INSURANCE (INCLUDING PUBLIC LIABILITY INSURANCE OF £5 MILLION) IS BETWEEN £1250 & £2000. FOR THE NEW DRIVER IT CAN EVEN APPROACH £3000 PER ANNUM.

SERVICING & REPAIRS HAVE ALSO RISEN SHARPLY SINCE 'BREXIT'. WITH THE NOTABLE FALL IN VALUE OF THE POUND, OUR BOURNEMOUTH FLEET IS MADE UP EXCLUSIVELY OF EUROPEAN OR JAPANESE VEHICLES & THE COST OF REPLACING

PARTS HAS RISEN BY THE SAME VALUE THAT THE POUND STERLING HAS FALLEN ie. 16% TO DATE.

LICENSING FEES/MEDICAL FEES HAVE ALSO BEEN INCREASED IN LINE WITH THE PREVIOUS QUOTES.

SO ON AVERAGE, YOUR EVERYDAY 'JOE TAXI DRIVER' IS APPROXIMATELY £2000 PER YEAR WORSE OFF THAN LAST YEAR.

THERE ARE 2 WAYS WE ARE ABLE TO RECOUP THIS SHORTFALL.

- 1) BY INCREASING OUR TARIFFS (THE CURRENT APPLICATION WILL NOT MAKE UP THE SHORTFALL IN FULL THAT WE HAVE ENDURED)
- 2) BY WORKING LONGER HOURS

AGAIN I CAN SPEAK FROM WELL OVER 20 YEARS EXPERIENCE IN THIS BUSINESS, & THE MAJORITY OF INDEPENDENT TAXI DRIVERS ALREADY WORK IN EXCESS OF 90 HOURS PER WEEK JUST TO KEEP THEIR HEADS ABOVE WATER. THIS IS CERTAINLY NOT GOOD FOR THE DRIVER OR HIS FAMILY & I WOULD MAINTAIN IT IS TO THE DETRIMENT OF THE GOOD SERVICE WE CURRENTLY GIVE OUR CUSTOMERS.

IN SUMMARY, WE HAVE A SUPERB FLEET IN BOURNEMOUTH & THE VAST MAJORITY OF OUR DRIVERS ARE OF A VERY HIGH STANDARD. WE NEED TO ENCOURAGE NEW DRIVERS & KEEP THE EXISTING ONES HAPPY BY MAKING THIS TRADE ONE THAT IS FINANCIALLY VIABLE & ONE THAT DOES NOT DEMAND YOU HAVE TO WORK EVERY WEEKEND NIGHT SHIFT THROUGHOUT THE YEAR TO MAKE ENDS MEET.

THANK YOU FOR LISTENING.

THE APPLICATION FROM BOURNEMOUTH IS IN LINE WITH TAXI ASSOCIATIONS IN OTHER AREAS OF THE UK.