

FALKIRK COUNCIL

Subject: REVIEW OF TAXI FARE SCALES AND OTHER CHARGES
Meeting: EXECUTIVE
Date: 1 DECEMBER 2015
Author: DIRECTOR OF CORPORATE AND HOUSING SERVICES

1. INTRODUCTION

- 1.1 The purpose of this report is to recommend to the Executive a scale of fares and charges for the hire of taxis licensed by the Council.

2. BACKGROUND

- 2.1 Section 17(2) of the Civic Government (Scotland) Act 1982 (“the Act”) imposes a duty on licensing authorities to fix the scales for fares and other charges for the hire of taxis at 18 monthly intervals. The last review was concluded at a meeting of the Executive on 18 June 2013 with the new tariff then coming into effect at midnight on 30 September 2013.
- 2.2 When reviewing fares and other charges, the licensing authority may alter them or keep them unchanged. Before fixing any scales or carrying out any review, the Act sets out that the licensing authority must:
- consult with persons or organisations appearing to it to be, or to be representative of, the operators of taxis within its area,
 - give notice of their intention by advertisement in a local newspaper stating (a) the general effect of the proposals and the date when they are proposed to take effect and (b) that any person may lodge representations in writing about the proposals within a month from the date of the advertisement,
 - consider any such representations duly lodged.
- 2.3 Once a decision on fares and other charges is taken (even if the review decision is to leave them unchanged), notice of that decision must be served on those persons and organisations that have been consulted as part of the process.
- 2.4 Operators of taxis can appeal against licensing authorities’ decisions on tariff reviews. Appeals are made direct to the Traffic Commissioner for the Scottish Traffic Area and should be submitted within 14 days of the decision.
- 2.5 In taking forward the current review, regard has been given to two decisions of the Traffic Commissioner issued in response to appeals to her following the last review of fares in 2013. The appeals were from local taxi operators who were aggrieved at the Council’s decision not to impose a cap on taxi numbers and also to introduce a policy whereby the age limit of vehicles entering the taxi fleet would be decreased incrementally from 6 years to 3 years. Both appellants advanced the view that these decisions had an adverse impact on taxi operators and, if they had known about them, they would have sought a 30% increase in taxi fares to contribute towards vehicle replacement costs.

- 2.6 The Traffic Commissioner dismissed both appeals. With regard to capping, she took the view that no evidence had been submitted to her showing any actual impact of the decision on taxi operators' earnings or on the market in terms of deterring the public use of taxis through high charges. With regard to a reduction in the vehicle age limit for entry to the fleet, she was similarly not persuaded that it affected the fare scales and no calculations in that regard were submitted by the appellants. However, the Commissioner did state that, in future reviews, the Council must consider the financial implications of the policy for operators and must call for evidence from them to allow the impact to be assessed in the next taxi review. She recognised that the onus was on taxi operators to submit their own calculations in order to provide cogent evidence to the Council of vehicle replacement costs, how they are financed and what impact they have on operating costs.

3. CONSULTATION

- 3.1 In carrying out the review, members of the Falkirk Taxi and Private Hire Car Forum were identified as persons who are representative of operators of taxis, in accordance with the Act.
- 3.2 Discussions on a review of the taxi fare scales and charges take place regularly at meetings of the Forum. At the meeting on 18 November 2014, the Forum confirmed that there was no desire among them for an increase in the tariff. However, it was further agreed that the matter would remain as a standing item on the agenda for future meetings. The issue was revisited at the next Forum meeting on 17 February 2015, when it was discussed once more. The position among Forum members remained unchanged.
- 3.3 At the meeting on 12 May 2015, the Forum agreed to discuss possible tariff increases with trade colleagues and return to the next meeting with any proposals for increases in the fares and charges and associated evidence in support of this. The matter was discussed again at the meeting on 11 August 2015 when the Traffic Commissioner's previous decisions were specifically highlighted. However, the Forum reiterated its position that no increase in the fare scales and charges would be sought on this occasion.

4. STRUCTURE OF TAXI TARIFF

- 4.1 As part of the review of taxi fares in 2013, the general tariff was increased as follows:
- the "distance charge" (i.e. the charge levied after the first 880 yards) was increased from 10p for every 102 yards or part thereof to 10p for every 99 yards travelled. This had the effect of increasing the 'running mile' cost from £1.73 per mile to £1.78 (3%).
- 4.2 For information, the current fare table for taxis is attached as appendix 1.

5. TAXI TARIFF PROPOSALS

- 5.1 In considering whether the current tariff structure should remain unchanged, regard was given to the downward trend in fuel prices since the last review. The Department of Energy and Climate Change issues weekly statistical data which includes reference to road fuel prices. The most recent information published on 3 November 2015 shows that unleaded petrol is, on average, 30p a litre lower than when the last tariff increase was introduced on 1 September 2013. The cost of a litre of diesel has fallen also by 32p over the same period. It is recognised that these figures fluctuate, however, and that taxi operators have other areas of expenditure that impact on their general operating costs, e.g. insurance and maintenance.
- 5.2 To set the current tariff rate in context, a table detailing where Falkirk is positioned in terms of the running mile costs in comparison to other Scottish local authorities is contained in appendix 2.
- 5.3 The Scottish Government's Taxi and Private Hire Car Licensing: Best Practice for Licensing Authorities issued in 2012 recognises the value to the public interest of ensuring the maintenance of an adequate taxi service by giving the trade a fair return. In that respect, albeit fuel costs have reduced since the previous review, there does not seem to be a strong case to propose a reduction to the current taxi tariff. It is therefore proposed to maintain the status quo. This accords with the Falkirk Taxi and Private Hire Car Forum view.

6. CALENDAR METERS

- 6.1 It will be recalled that, earlier this year, an issue arose with the calendar meters operated by the trade in that the public holiday dates programmed had in effect run out. All operators who use calendar meters were written to and made aware of arrangements for meters to be updated to include future holiday dates. This piece of work was undertaken in July and August.
- 6.2 To ensure this issue is not encountered again, forthcoming holidays will be advised to all taxi operators (and those private hire car operators with a calendar meter) in a letter confirming the outcome of the taxi tariff review. It will be the responsibility of all operators to have future holiday dates programmed into their respective meters at the conclusion of every review.

7. RECOMMENDATIONS

7.1 It is recommended that:

- (i) the Executive considers the terms of this report with particular reference to the views proffered by the taxi trade as detailed in part 3 of this report and agrees to maintain the fare scales and charges at their current levels**
- (ii) instructs the Chief Governance Officer to advertise the fare scales and charges to take effect from midnight on 29 February 2016;**
- (iii) in the event of any written representations being received in respect of the published proposals, a further report will be submitted to the Executive to allow them to be considered; and**
- (iv) in the event that no written representations are received the proposals will be held as confirmed and formally notified to the consultees.**

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Director of Corporate and Housing Services

Date: 11 November 2015

Ref AAB011215 – Review of Taxi Fare Scales and other charges

Contact Officer: Bryan Douglas, Licensing Co-ordinator

BACKGROUND PAPERS

- 1. Note of Meeting of the Taxi Forum held on 17 February 2015**
- 2. Note of Meeting of the Taxi Forum held on 12 May 2015**
- 3. Note of Meeting of the Taxi Forum held on 11 August 2015**



Falkirk Council
General Taxi Tariff
EFFECTIVE FROM 1 OCTOBER 2013

1. TARIFF 1 - GENERAL TARIFF

- FOR THE FIRST 880 YARDS OR PART THEREOF THERE IS A CHARGE OF £2.00
- BEYOND THE FIRST 880 YARDS, FOR EVERY ADDITIONAL 99 YARDS OR PART THEREOF THERE IS A CHARGE OF 10p

2. TARIFF 2 - UNSOCIAL HOURS (TARIFF 1 + 25%)

- JOURNEYS BEGUN BETWEEN 9PM AND 6AM
- JOURNEYS BETWEEN 9PM ON THE EVENING BEFORE A PUBLIC HOLIDAY UNTIL 6AM ON THE MORNING FOLLOWING THAT PUBLIC HOLIDAY*.

3. CHRISTMAS & NEW YEAR DAY-TIME RATE (TARIFF 1 + 25%)

- JOURNEYS BETWEEN 6AM CHRISTMAS DAY AND 9PM ON CHRISTMAS NIGHT
- JOURNEYS BETWEEN 6AM ON BOXING DAY AND 9PM ON BOXING DAY
- JOURNEYS BETWEEN 6AM ON NEW YEARS DAY AND 9PM ON NEW YEARS NIGHT
- JOURNEYS BETWEEN 6AM ON 2nd JANUARY AND 9PM ON 2nd JANUARY

4. CHRISTMAS & NEW YEAR NIGHT-TIME RATE (TARIFF 1 + 50%)

- JOURNEYS BETWEEN 9PM ON CHRISTMAS EVE AND 6AM ON CHRISTMAS DAY
- JOURNEYS BETWEEN 9PM ON CHRISTMAS NIGHT AND 6AM ON BOXING DAY
- JOURNEYS BETWEEN 9PM ON NEW YEARS EVE AND 6AM ON NEW YEARS DAY
- JOURNEYS BETWEEN 9PM ON NEW YEARS NIGHT AND 6AM ON 2nd JANUARY

5. ADDITIONAL CHARGES

- (a) WHERE A TAXI HAS TO WAIT FOR THE PASSENGER, A CHARGE OF 20P CAN BE MADE FOR EACH MINUTE.
- (b) WHERE A TAXI HAS BEEN BOOKED IN ADVANCE AN ENGAGEMENT CHARGE OF 30p CAN BE MADE.
- (c) WHERE THERE ARE MORE THAN 4 PASSENGERS A CHARGE OF 50p FOR EACH ADDITIONAL PASSENGER CAN BE MADE.
- (d) WHERE A PASSENGER'S BEHAVIOUR RESULTS IN A VEHICLE NEEDING TO BE CLEANED, THE DRIVER WILL BE ENTITLED TO CHARGE A CLEANING FEE OF £40.

*PUBLIC HOLIDAYS ARE GOOD FRIDAY, EASTER MONDAY, MAY HOLIDAY MONDAY, FALKIRK FAIR MONDAY AND SEPTEMBER HOLIDAY MONDAY.

THESE FARES ARE THE MAXIMUM THAT CAN BE CHARGED IN THE FALKIRK COUNCIL AREA.

ANY COMPLAINTS MAY BE MADE TO THE TAXI DRIVER, THE BOOKING OFFICE OR THE LICENSING SECTION ON 01324 501575

Appendix 2

SPREAD SAMPLE OF SCOTTISH LOCAL AUTHORITY RUNNING MILE RATES AS AT AUGUST 2015 (FOR TARIFF 1)

	£
1. East Lothian	2.29
2. Aberdeenshire	2.20
3. Moray	2.20
4. South Ayrshire	2.20
5. Edinburgh	2.19
6. Fife	2.07
7. Clackmannanshire	2.04
8. Dumfries & Galloway	2.00
9. Argyll & Bute	2.00
10. Angus	1.96
11. Aberdeen	1.95
12. Midlothian	1.91
13. East Ayrshire	1.89
14. Glasgow	1.89
15. Stirling	1.80
16. Shetlands	1.80
17. <i>*Falkirk</i>	<i>1.78</i>
18. Borders	1.75
19. West Dunbartonshire	1.70
20. North Lanarkshire	1.70
21. North Ayrshire	1.70
22. East Dunbartonshire	1.60
23. Inverclyde	1.60
24. Perth & Kinross	1.60
25. Dundee	1.60
26. East Renfrewshire	1.50
27. West Lothian	1.47
28. Renfrewshire	1.47
29. South Lanarkshire	1.33
30. Highland	1.35
31. Western Isles	1.28

*Figures obtained from Private Hire and Taxi Monthly Ltd.