

FALKIRK COUNCIL

Subject: REVIEW OF TAXI FARE SCALES AND OTHER CHARGES
Meeting: EXECUTIVE
Date: 18 June 2013
Author: CHIEF GOVERNANCE OFFICER

1. INTRODUCTION

- 1.1 Section 17(2) of the Civic Government (Scotland) Act 1982 imposes a duty on licensing authorities to fix the scales for fares and other charges for the hire of taxis. This has to be done at intervals not exceeding 18 months from the date on which the scales came into effect. The last review was concluded at a meeting of the Policy & Resources Committee on 21 February 2012 with the new tariff then coming into effect at midnight on 1 April 2012.
- 1.2 Before fixing any scales or carrying out a review, the licensing authority must:-
- (i) consult with persons or organisations appearing to them to be, or be representative of, the operators of taxis operating within their area;
 - (ii) give notice of their intention by advertisement in a newspaper circulating in their area stating:
 - the general effect of the proposals and the date on which it is proposed that they will take effect, and
 - that any person may lodge written representations with respect to the proposals within a period of one month after the date of the first publication of the notice;
 - (iii) consider any such representations duly lodged.

2. CONSULTATION

- 2.1 In order to comply with the timescale mentioned in paragraph 1.1, officers from the Licensing Unit commenced discussions with the taxi trade by way of the newly established Falkirk Taxi and Private Hire Car Forum in November 2012.
- 2.2 Following on from the November meeting, members of the Forum were invited to submit proposals on any suggested increase in the taxi tariff. The matter was discussed again at the February 2013 meeting when it was agreed by the Forum that the only change they would seek on this occasion would be a 3% increase in the running mile cost.

3. STRUCTURE OF TAXI TARIFF

3.1 As part of the review of taxi fares in 2012, the general tariff was increased as follows:

- the “flag fall” rate (i.e. the charge for the first 880 yards of any journey) was increased by 20p (11%), and
- the “distance charge” (i.e. the charge levied after the first 880 yards) was increased from 10p for every 108 yards or part thereof to 10p for every 102 yards or part thereof. This had the effect of increasing the “running mile” cost from £1.63 per mile to £1.73 (6%).

3.2 For information, the current fare table for taxis is attached as appendix 1.

4. TAXI TARIFF PROPOSALS

4.1 In putting forward their proposal for an increase in the running mile charge, the trade representatives highlighted the increase in fuel costs and rising insurance costs as a major factor in the effective provision of a taxi service. They consider that an increase of 3% in the running mile would offset the additional financial burden they believe they are carrying. This would amount to the running mile on Tariff 1 increasing from £1.73 to £1.78. The trade representatives were content for the status quo to remain in respect of all other charges.

4.2 Officers obtained the quarterly energy prices publication by the Department of Energy and Climate Change which detailed that, in mid March 2013, unleaded petrol and diesel were, on average, 0.1 pence a litre lower than a year ago. Having said that, it is recognised that fuel costs are volatile and that annual comparisons don’t always reflect the extent of movement throughout the year.

4.3 To set the proposed increase in context, a table detailing where Falkirk would be positioned in terms of the running mile costs in comparison to other Scottish local authorities is contained in appendix 2. For information, a 1% rise would see the running mile cost increase to £1.74 while a 2% rise would increase it to £1.76.

4.4 In the event that the Executive wishes to support the request put forward by the trade representatives, the distance charge would be amended from 10p for every 102 yards travelled (beyond the first 880 yards) to 10p for every 99 yards travelled.

4.5 As an illustration of what this change would mean in practice, a typical journey from the Municipal Buildings to Falkirk Stadium is 1.9 miles. The table below gives a breakdown of the current maximum charge for that journey on the Tariff 1 rate and what the new charge would be if a 3% increase was made. For comparison purposes, the 1% and 2% costs are also shown:

Existing tariff	£4.40
Revised tariff for a 3% increase on the running mile	£4.50
Revised tariff for a 2% increase on the running mile	£4.45*
Revised tariff for a 1% increase on the running mile	£4.45*

* Taxi meters can only operate in multiples of 5p and therefore the 1% and 2% increases when rounded up/down are the same.

5. CALENDAR METERS

- 5.1 The Director of Corporate and Neighbourhood Services has advised that, in line with previous practice, a charge would require to be made for undertaking the necessary calendar meter calibration tests and that the appropriate fee would require to be set at £14 on a full cost recovery basis. This represents no increase in fee from the last tariff review.

6. IMPLEMENTATION DATE

- 6.1 To allow sufficient time to advertise whatever proposal is agreed and to consider any representations made on it, it is suggested the date on which any increase would take effect would be 1 September 2013.

7. EQUALITIES AND POVERTY IMPACT

- 7.1 It is considered that the proposed increase in the running mile of 3% would have a minimal adverse impact on passengers.

8. RECOMMENDATIONS

8.1 It is recommended that:

- (i) the Executive considers the terms of this report with particular reference to the request made by the taxi trade as detailed in paragraph 2.2, and determines its proposed fares scale and implementation date for press advertisement;
- (ii) the Executive considers and approves the calendar meter calibration test fee detailed in paragraph 5.1;
- (iii) any written representations received against the proposed fares scale in response to the press advertisement be the subject of a further report to the Executive; and

- (iv) in the event that no written representations are received in response to the press advertisement, the Chief Governance Officer is authorised to confirm and implement the revised fares scale.

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Chief Governance Officer

Date: 7 June 2013

Contact Officer: Bryan Douglas, Licensing Co-ordinator

BACKGROUND PAPERS

1. Note of Meeting of the Taxi Forum held on 20 November 2012
2. Note of Meeting of the Taxi Forum held on 22 February 2013