



## **Agenda Item 7**

# **Review of Taxi Fare Scales and other Charges**

**Falkirk Council**

**Title:** Review of Taxi Fare Scales and other Charges  
**Meeting:** Executive  
**Date:** 27 August 2019  
**Submitted By:** Director of Corporate and Housing Services

**1. Purpose of Report**

- 1.1 The purpose of this report is to detail for consideration, the responses received to the taxi fare scales consultation recently undertaken. The proposal being that there would be no increase in the taxi fare scale.

**2. Recommendations**

**2.1 The Executive is asked to agree:-**

- (1) to maintain the taxi fares levels and charges at their existing levels; and**
- (2) to instruct the Director of Corporate and Housing Services to notify the consultees.**

**3. Background**

- 3.1 On 18 June 2019, the Executive agreed to maintain the current taxi fare scales and charges at their current levels. In accordance with the legislation, this decision was advertised in the local newspapers and subject to a 4 week consultation. In addition, and in order to maximise the scope of the consultation, it was also published on the consultation hub of the Council's website.

**4. Responses to the consultation**

- 4.1 There were six responses received through the consultation hub on the Council's website. They are appended to the report but can be categorised into the following groups.

**In Favour of Increased Charges**

One respondent suggested that the initial flag fall should be increased from the current £2.50 to that of £3, in line with Stirling Council.

Another respondent suggested that a cost of living increase of 6% should be applied. They also suggested smaller more frequent increases to avoid a substantial increase every five years. In addition they referred to the current age policy applicable to taxi and private hire cars and said this should be taken into account along with future trend towards electric vehicles.

### **In Favour of Reduced charges**

One respondent suggested that there should be a slight decrease as the charges were expensive for those who rely on public services such as bus or taxi.

Another respondent suggested a reduction in the fare level to encourage more people to use the service.

### **General comments**

One respondent suggested that if you want a taxi just pay the fare.

Another respondent said there was no real value for money being provided by the taxi service.

## **5. Consideration of the responses**

- 5.1 Officers have carefully considered the comments received and would offer the following by way of a response.

### **Increased charges**

- 5.2 The taxi trade enjoyed a substantial increase in fares and charges less than a year ago. A further increase at this time is premature and without justification. This view is also held by the Taxi Forum.

### **Reduced charges**

- 5.4 The suggestion to decrease taxi fares and charges is not supported. The available evidence and the cost of operating taxis would not justify a decrease. At the current fare levels Falkirk is placed 22<sup>nd</sup> out of the 32 local authorities.

### **General comments**

- 5.5 Both respondents have offered opinions that officers have no comment to make on.

## **6. Implications**

### **Financial**

- 6.1 There is no direct financial impact on the Council.

### **Resources**

- 6.2 There are no resource implications arising from the report.

### **Legal**

- 6.3 The legal implication arising from the report recommendations is that the Council continues to fulfil its duty to fix taxi fare scales at regular intervals in terms of Section 17(2) of the Civic Government (Scotland) Act 1982

## **Risk**

- 6.4 None identified.

## **Equalities**

- 6.5 The impacts on groups sharing protected characteristics is difficult to assess as there is a lack of data on users of taxis and the nature of journeys taken by particular groups.

## **Sustainability/Environmental Impact**

- 6.6 There is no environmental impact arising from the contents of the report.

## **7. Conclusions**

- 7.1 It is proposed that there is no increase in the taxi fare level and charges.

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Director of Corporate and Housing Services

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## **Appendices**

1. Table detailing responses.
2. Report to Executive 18 June 2019.

## **List of Background Papers:**

No papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973.

## **Review of Taxi fare scales and charges consultation responses received**

Question – Do you have any comments on the proposal to keep the taxi fares scales and charges unchanged?

Council Consultation Hub responses

1. If u want to pay of a taxi just pay it x
2. I think Falkirk Taxis are some of the most over priced taxis I have ever had the misfortune to use. The fact that there is no change to upping the price I suppose is good in one respect but I think the rates should be lowered to encourage people to use them instead of choosing other forms of transportation or just not going out cause they can't afford it.
3. Decrease slightly. Taxi fairs are very expensive for those who rely on public services. Example taxi or bus
4. I feel there is no real value for money via the taxi service provided
5. Flag fall should rise to £3 in line with stirling council
6. To avoid the trade being in a position of asking for a 25% increase in fares in five years' time. I would like to propose that a smaller increase more frequently be adopted. Falkirk council over the last two years have increased the council tax by 3% each year. Could I suggest a 6% cost of living increase? As an individual it is difficult to calculate the cost of fuel and insurance for the taxi trade of Falkirk so perhaps some research could be carried out by Falkirk Council to determine these costs. The new age limit should still be relevant in any off the costing and the increased costs of move towards Electric Taxi should also be considered. Falkirk council over the last two years have increased the council tax by 3% each year. Could I suggest a 6% cost of living increase?

**Falkirk Council**

**Title:** Review of Taxi Fare Scales and Other Charges  
**Meeting:** Executive  
**Date:** 18 June 2019  
**Submitted By:** Director of Corporate and Housing Services

**1. Purpose of Report**

- 1.1 The report sets out a proposal to maintain the taxi fare scales and charges at their current levels.

**2. Recommendations**

**2.1 The Executive is asked to:-**

- (1) maintain the taxi fare scales and charges at their current levels; and**
- (2) instruct the Director of Corporate and Housing Services to advertise the fare scales and charges to take effect from midnight on 1 October 2019 and,**
  - (a) 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,**
  - (b) In the event that no written representations are received the proposals will be held as confirmed and formally notified to the consultees.**

**3. Background**

- 3.1 The Civic Government (Scotland) Act 1982 imposes a duty on all Councils to fix, from time to time, the maximum charges for the hire of taxis the last increase was in October 2018.
- 3.2 Before fixing any scales or undertaking such a review, the Council 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 in its area stating, (a) the general effect of the proposals and the date when they propose that its decision will take effect; and (b) 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; and
  - (iii) consider any such representations duly lodged.
- 3.3 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 who have been consulted as part of the process.
- 3.4 Operators of taxis can appeal against licensing authorities' decisions on tariff reviews. Appeals are made direct to the Traffic Commissioner for Scotland and should be submitted within 14 days of the decision.

### **Matters to be taken into account when undertaking a fare review**

- 3.5 The Scottish Government's Taxi and Private Hire Car Licensing: Best Practice for Licensing Authorities guidance, issued April 2012 advises that authorities should pay particular regard to advice contained in the Scottish Development Department Circular 25/1986. It states that, "in fixing fares authorities will want to pay primary regard to the costs incurred by the trade, having regard to the capital costs (including interest payments) of the vehicles, the costs of maintaining and replacing them to the standard of the licensing authority, of employing drivers and the prevailing level of wages and costs in related road transport industries. The public interest is best served by ensuring the maintenance of an adequate taxi service by giving the trade a fair return rather than depressing fares for social reasons, however understandable".

## **4. Consultation**

- 4.1 The members of the Taxi Forum were identified as persons who are representative of operators of taxis and they were invited to make representations in respect of the taxi tariff at its meeting in April. The Forum was not in favour of any increase in the taxi tariff. This was due in the main to the recent substantial increase in the taxi tariff that was introduced in 2018. The Forum felt that there was no appetite or justification for any increase at this time from within the trade. The Forum was aware that a proposal by the policy development panel to introduce annual tariff reviews would be considered by the Executive at this meeting.

## **5. Taxi Tariff**

### **Structure of Taxi Tariff**

- 5.1 As part of the review of taxi fares in 2018, the tariff was increased as follows:-
  - Flag fall was increased by 50p to £2.50

- For the first 880 yards the “distance charge” (i.e. the charge levied after the first 880 yards) was increased from 10p for every 99 yards travelled to 10p for every 90 yards. This had the effect of increasing the ‘running mile’ cost from £1.78 per mile to £1.96 (10%).

5.2 The current fare table for taxis is attached as appendix 1.

## **6. Considerations**

- 6.1 In considering whether the current tariff structure should be changed, regard was given to the trend in fuel prices. The Department of Energy and Climate Change issues weekly statistical data which includes reference to road fuel prices. The most recent information published on 13 May 2019 shows that diesel is, on average, 2p a litre lower than when the last tariff review was concluded in 2018.
- 6.2 However there has been a marginal increase in average car insurance costs in recent months, the current average cost £2 higher than when the last review concluded.
- 6.3 To set the current tariff rate in context, a table detailing Falkirk’s position in terms of the running mile costs for a 2 mile journey, in comparison to other Scottish local authorities, is contained in appendix 2. Falkirk currently is the 22<sup>nd</sup> lowest in Scotland. Prior to the last review. Falkirk was placed 32 of the 32 local authorities.

## **7. Implications**

### **Financial**

- 7.1 There is no direct financial impact on the Council.

### **Resources**

- 7.2 There are no resource implications arising from the report.

### **Legal**

- 7.3 The legal implication arising from the report recommendations is that the Council continues to fulfil its duty to fix taxi fare scales at regular intervals in terms of section 17(2) of the Civic Government (Scotland) Act 1982.

### **Risk**

- 7.4 None identified.

### **Equalities**

- 7.5 There will be no impact on groups sharing protected characteristics.



## **Sustainability/Environmental Impact**

7.6 There is no environmental impact arising from the contents of the report.

## **8. Conclusions**

8.1 In light of the substantial increase in the taxi fares and scales in 2018, it is proposed that there is no justification that would merit an increase presently.

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Director of Corporate and Housing Services

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Date: 6 June 2019

## **Appendices**

Appendix 1 - Current Taxi Tariff

Appendix 2 - Spread sample of average cost of a 2 mile taxi journey in Scotland

## **List of Background Papers:**

No papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973.



Falkirk Council  
General Taxi Tariff  
EFFECTIVE FROM 1 OCTOBER 2018

**1. TARIFF 1 - GENERAL TARIFF**

- FOR THE FIRST 880 YARDS OR 293.3 SECONDS OR A COMBINATION OF TIME AND DISTANCE THERE IS A CHARGE OF £2.50
- BEYOND THE FIRST 880 YARDS, FOR EVERY ADDITIONAL 90 YARDS OR 30 SECONDS OR A COMBINATION OF TIME AND DISTANCE 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 2<sup>nd</sup> JANUARY AND 9PM ON 2<sup>nd</sup> 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 2<sup>nd</sup> JANUARY

**5. ADDITIONAL CHARGES**

- (a) WHERE A TAXI HAS BEEN BOOKED IN ADVANCE AN ENGAGEMENT CHARGE OF 30p CAN BE MADE.
- (b) WHERE THERE ARE MORE THAN 4 PASSENGERS A CHARGE OF 50p FOR EACH ADDITIONAL PASSENGER CAN BE MADE.
- (c) 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 COST OF A 2 MILE TAXI FARE FOR SCOTTISH LOCAL AUTHORITIES AS AT MAY 2019

<u>Local Authority</u>	<u>£</u>
1. East Lothian	6.80
2. Fife	6.60
3. Moray	6.60
4. Glasgow	6.50
5. Edinburgh	6.30
6. Midlothian	6.22
7. Argyll & Bute	6.20
8. Clackmannanshire	6.10
9. Shetland Isles	6.05
10. Aberdeenshire	6.00
11. South Ayrshire	5.90
12. Scottish Borders	5.85
13 Orkney	5.80
14. Highland	5.80
15. East Ayrshire	5.75
16. Angus	5.70
17. Renfrewshire	5.70
18. Stirling	5.70
19. Dundee City	5.66
20. Aberdeen City	5.60
21. West Lothian	5.60
<b>22. Falkirk</b>	<b>5.50</b>
23. Dumfries & Galloway	5.50
24. Perth & Kinross	5.50
25. East Dunbartonshire	5.34
26. East Renfrewshire	5.30
27. West Dunbartonshire	5.20
28. Inverclyde	5.20
29. South Lanarkshire	5.20
30. North Ayrshire	5.10
31 North Lanarkshire	5.00
32. Western Isles	4.85