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## NORTH AYRSHIRE COUNCIL

10 April 2019

Licensing Committee

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<b>Title:</b>	Civic Government (Scotland) Act 1982: Taxi Fare Review
<b>Purpose:</b>	To continue the Taxi Fare Review
<b>Recommendation:</b>	<p>That the Committee:</p> <ul style="list-style-type: none"><li>(a) review the current scale and approve in draft the scale set out as Appendix D to this report, as varied by the Committee;</li><li>(b) instruct the Chief Executive to give public notice of that draft;</li><li>(c) continue consideration of the Review until a further meeting of the Committee at least one month after that public notice has been given.</li></ul>

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### 1. Executive Summary

1.1 Under of the Civic Government (Scotland) Act 1982, the Council as Licensing Authority is required to review the maximum fare that taxis operating within North Ayrshire may charge. The 1982 Act requires that this should be done at maximum intervals of eighteen months.

1.2 The Act lays down a sequence of stages for the review. Accordingly, when the Committee met on 9 January 2019 it adopted the following scheme:

Stage (a) - Meeting with taxi trade representatives/taxi operators to discuss proposals, consider revisions and finalise draft tariff

Stage (b) - Licensing Committee meeting to approve finalised draft tariff and seek authority to advertise proposed tariff in local press

Stage (c) - Public Consultation - Advertise proposals and invite representations - As soon as possible thereafter

Stage (d) - Licensing Committee meeting to consider representations and to fix new Scales

Stage (e) - Notification to Trade - within 7 days of (d)

Stage (f) - Advertise new Scales (if no appeal to the Traffic Commissioner) - Not less than 14 days after the Notification in Stage (e)

Stage (g) - Advertise new Scales (if there is an appeal) - as soon as practicable after the determination of the appeal.

- 1.3 The fares approved by the Committee are the maximum fares which may be charged. Operators can charge less if they wish. While the Council must review fare levels periodically, it does not have to alter the existing fares.
- 1.4 Once the fares have been reviewed and fixed, taxi operators have a right of appeal to the Traffic Commissioner for the Scottish Traffic Area, should they disagree with the Council's decision.

## **2. Background**

- 2.1 The Committee held the Stage (a) meeting with interested parties on 29 March 2019. A Minute of that meeting is attached as Appendix A to this Report.

2.2 The present Committee meeting is Stage (b). The Committee are to review the current scale and propose a new draft scale. A possible draft of proposed scales is attached as an Appendix for the purpose of discussion (Appendix D). The proposed scales are only a draft. Once approved by the Committee for publication, they will be advertised so that the public can make representations (Stage (c)). The consultation period is at least one month. After the consultation period, the Committee will meet again to consider the draft, and any public representations, and then fix the scale (Stage (d)).

- 2.3 In preparing a draft scale, the Committee should consider:

- (a) Government Guidance on how Licensing Authorities should approach Fare Reviews;
- (b) the current Scales;
- (c) general economic indicators;
- (d) the views of the Trade.

### (a) Government Guidance

2.4 The Government Guidance is in "Taxi and Private Hire Car Licensing: Best Practice for Licensing Authorities", Second Edition, April 2012, Paragraph 6.2. This adopts the guidance in Scottish Development Department Circular 25/1986. The relevant part of that is Paragraph 2.37:

*"The Secretary of State expects 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*

*standards required by the licensing authority, the costs of employing drivers, and the prevailing levels of wages and costs in related road transport industries. In the Secretary of State's view the public interest is better served by ensuring the maintenance of an adequate taxi service by giving the trade a fair return than by depressing fares for social reasons, however understandable. If fares are fixed at a level higher than the market can stand, the trade is free to reduce them."*

(b) the current Scales

2.5 Appendix B ("Illustration of possible Tariff increases") was issued to Members and also the attendees at the Trade Consultation.

This document is in two parts:

(A) Current Scales (pages 1 - 2);

(B) Percentage increases, showing how the fares would change for different percentage increases (pages 3 - 4).

(c) general economic indicators

2.6 Appendix C ("Inflation Figures ('Consumer Price Index')") shows figures supplied by the Government statistical office (the "Office of National Statistics"). These figures are updated monthly, so if the figures have changed in the few days between the Trade Meeting and the Committee meeting then the Committee will either have a document in the same, or an oral update. The figures here are counted from when the Licensing Committee fixed the current Scales (11 December 2017).

(d) the views of the Trade

2.7 These are set out in Appendix A, in so far as stated at the Consultation meeting, and where individuals have made written representations, these will be copied in Members' background papers.

### **3. Proposals**

3.1 A possible draft of the Taxi Fare Scales is in Appendix D. This was prepared by the Clerk following the Trade Meeting, after considering the Government Guidance quoted above and the statistical indicators which appear to be relevant to the Taxi Fare Review. It is open to anyone participating in the review process to suggest that the Licensing Committee should consider other factors. In order to keep to the statutory timetable, anyone making any representations about the draft should make them during the subsequent public consultation.

3.2 Notes 1..4 are in the current Fare Card. Notes 5..6 are proposed for the 2019 Fare Card.

- 3.3 The Committee should review the Scales, adopt a draft proposal, and instruct the Chief Executive to give public notice of that draft.

#### 4. Implications/Socio-economic Duty

<b>Financial:</b>	The Taxi fare structure has substantial implications for both the trade and the community. In addition, legal costs to the Licensing Authority may arise if the fare review becomes subject to an appeal to the Traffic Commissioner, which may affect future Licence fees.
<b>Human Resources:</b>	None.

<b>Legal:</b>	Possible appeal to the Traffic Commissioner.
<b>Equality/Socio-economic Duty:</b>	<p>Equality Act 2010 imposes duties on the Council:</p> <p>Section 1(1) ("Public sector duty regarding socio-economic inequalities"): the Council</p> <p><i>"must, when making decisions of a strategic nature about how to exercise its functions, have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage."</i></p> <p>Section 149(1) ("Public sector equality duty") the Council</p> <p><i>"must, in the exercise of its functions, have due regard to the need to—</i></p> <p><i>(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under [that Act];</i></p> <p><i>(b) advance equality of opportunity between persons who share a "Relevant Protected Characteristic" and persons who do not share it;</i></p> <p><i>(c) foster good relations between persons who share a "Relevant Protected Characteristic" and persons who do not share it."</i></p> <p>The "Relevant Protected Characteristics" are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.</p> <p>The Clerk has considered these Duties in preparing this Report and any specific impacts will be evaluated where appropriate. Unless the Clerk advises the Committee otherwise in a particular case, there are no significant impacts to be considered.</p>
<b>Children and Young People:</b>	See "Equality/Socio-economic Duty"
<b>Environmental &amp; Sustainability:</b>	None.

<b>Key Priorities:</b>	An effective licensing system, for example monitoring the 'fit and proper' status of licence-holders, the safety of vehicles, and the suitability of premises, helps progress towards one of the "Priority Areas" of the "NAC Community Planning Partnership Local Outcomes Improvement Plan 2017 – 2022 (LOIP): "A Safer North Ayrshire". Setting fares at a level which balances the needs of taxi operators and passengers and is likely to maintain the level of service provision is consistent with Priority Area "A Working North Ayrshire".
<b>Community Benefits:</b>	Not applicable, as the Report does not relate to tendering or procurement exercises.

## 5. Consultation

5.1 No consultations are required apart from those described in this Report.

Andrew Fraser  
Head of Democratic Services

For further information please contact William O'Brien, Solicitor (Licensing), on 01294-324345.

## Background Papers

Appendix A - Minute of Trade Consultation meeting

Appendix B - Illustration of possible Tariff increases

Appendix C - Inflation Figures (Consumer Price Index)

Appendix D - draft proposed Fare Card

## **Civic Government (Scotland) Act 1982: Taxi Fare Review**

**Minute of Trade Consultation meeting under Section 17(4A)(a) held on Friday 29 March 2019 at 10.00 a.m. in the "Garnock Valley" and "Three Towns" Rooms at Cunninghame House, Irvine**

### **Councillors Present:**

Ronnie McNicol (Convenor), Robert Barr, Donald L. Reid, Scott Gallacher, Davina McTiernan, Jean McClung.

### **Council officers in Attendance:**

W. O'Brien, Solicitor (Licensing), A. Toal, Administrative Assistant.

### **Operators of Taxis in Attendance:**

Kirsten Stahly  
Piotr Stachowski  
Jim McKerrell  
Mohamed Asli  
Craig Spence  
Kevin Blades  
David Barbour

### **Others:**

W.H. Taylor

The Convenor opened the meeting by referring to the documents which had been handed to those present:

Document 1 - "Illustration of possible Tariff increases"

Document 2 - "Inflation Figures ('Consumer Price Index')"

He said that the Solicitor (Licensing) would explain these documents and outline procedure.

W. O'Brien told the meeting that the Licensing Committee would meet on 10 April 2019 to make a proposal for draft Taxi Fare Scales. This was only a draft, not a decided tariff, and would be published in newspapers. The public, including the operators present today, would have 28 days to make any comments they wanted. There would then be a further meeting of the Committee, which would make a decision on the Scales. That decision would include an effective date, which would be a Monday, and operators would have to have their meters recalibrated and collect new fare cards.



He explained the documents:

Document 1 ("Illustration of possible Tariff increases") was in two parts:

(A) Current Scales (pages 1 - 2)

(B) Percentage increases, showing how the fares would change for different percentage increases (pages 3 - 4)

He told the meeting that Document 2 - "Inflation Figures ('Consumer Price Index')" showed figures supplied by the Government statistical office (the "Office of National Statistics"). He explained that these figures are updated monthly, so when the Committee meets on 10 April the Committee will have a document in that form, either the one today or one with updated figures.

The Convenor invited those present to make comments.

**JIM McKERRELL (Three Towns TOA)**

He referred to the written representation which he had submitted, signed by his members, with an amended Tariff Card showing his proposals, including 10p added to the flagfall, and reduced waiting time from 25 to 20 seconds.

**KEVIN BLADES**

He agreed with Mr. McKerrell.

**CRAIG SPENCE**

He also agreed with Mr. McKerrell.

**KEVIN BLADES**

He commented that 10p is not a lot of money, and customers would not complain.

**CLLR. REID**

He referred to the figures from the Office of National Statistics, and commented that Diesel had increased 4.7% since the current Scales came into effect.

**KIRSTEN STAHLY**

She said that the taxi fares had to go up, to keep up with the Trade's outgoings. Licence fees went up every year. The taxi business was quieter.

**CONVENOR**

He told the meeting the Council wanted to keep jobs.

**CLLR. McCCLUNG**

She asked would the proposed extra 10p cover the cost of diesel?

**CRAIG SPENCE**

He said that this would not cover the cost, but that the fares could not be put up more. There was not enough work in Irvine.

(there was general agreement from other Trade attendees to these comments)

**KEVIN BLADES**

He referred to roadworks in Irvine High Street, and people staying at home. The Internet was taking over from shops, the High Street was quiet.

**CRAIG SPENCE**

He commented that even Friday nights were quiet

**W. O'BRIEN**

He explained procedure, e.g. advertisement of proposals, recalibration, new cards.

**JIM McKERRELL**

He wanted the Committee on 10 April 2019 to be told that the Trade view was unanimous. He pointed out that he's sent a list of signatures, which was actually more than were in the room today.

**CLLR. BARR**

He noted that there was no dissent.

**CLLR. GALLACHER**

He said that after the last Fare Review, on social media the Council got abuse from Taxi Drivers who had not come to the consultation.

**JIM McKERRELL**

He observed that there were no operators from the "North Coast" Zone present today.

**A. TOAL**

She advised that there had been one comment by telephone from an operator on Arran.

The Convenor thanked everyone for attending. The meeting ended at 10.16.

North Ayrshire Council  
Taxi Fare Scales Review (2019)

Illustration of possible Tariff increases:

- (A) Current Scales (from 11 Dec 2017)  
(B) Percentage increases

Rounding means that some of the figures are not exact:  
Figures are rounded-up to the next higher 10p

**(A) Current Scales**

Tariff 1 (Day (7.00 am to midnight), unless T2 or T3)	
Flagfall (first 3/4 mile)	2.80
Mileage	1.80
Examples:	
1 mile journey	3.30
2 mile journey	5.10
3 mile journey	6.90
4 mile journey	8.70
5 mile journey	10.50

Tariff 2 (night, Sundays, Public Holidays, DAY across Zones, Xmas Eve, Hogmanay)	
Flagfall (first 3/4 mile)	3.20
Mileage	1.90
Examples:	
1 mile journey	3.70
2 mile journey	5.60
3 mile journey	7.50
4 mile journey	9.40
5 mile journey	11.30

**(A) Current Scales**

Tariff 3 (NIGHT across Zones)	
T1 plus 50%	
Flagfall (first 3/4 mile)	4.20
Mileage	2.70
Examples:	
1 mile journey	4.90
2 mile journey	7.60
3 mile journey	10.30
4 mile journey	13.00
5 mile journey	15.70

Tariff 4 (Xmas Day, New Year's Day)	
Double T1	
Flagfall (first 3/4 mile)	5.60
Mileage	3.60
Examples:	
1 mile journey	6.60
2 mile journey	10.20
3 mile journey	13.80
4 mile journey	17.40
5 mile journey	21.00

**(B) Percentages**

Part (B) shows how the fares would change for different percentage increases.

FOR EXAMPLE:

The current Tariff 1 flagfall is £2.80 and the mileage is £1.80.  
If the Tariff had a 1.5% increase, the flagfall would be £2.90 and the mileage would be £1.90.

The charges for journeys would change:  
a 1 mile journey would increase from £3.30 to £3.40.  
a 2 mile journey would increase from £5.10 to £5.30.  
a 3 mile journey would increase from £6.90 to £7.20.

Increase (%)	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%
Tariff 1 (Day)						
Flagfall	2.90	2.90	2.90	2.90	2.90	2.90
Mileage	1.90	1.90	1.90	1.90	1.90	1.90
Examples:						
1 mile journey	3.40	3.40	3.40	3.40	3.40	3.40
2 mile journey	5.30	5.30	5.30	5.30	5.30	5.30
3 mile journey	7.20	7.20	7.20	7.20	7.20	7.20
4 mile journey	9.10	9.10	9.10	9.10	9.10	9.10
5 mile journey	11.00	11.00	11.00	11.00	11.00	11.00

Tariff 2 (night etc)						
Flagfall	3.30	3.30	3.30	3.30	3.30	3.30
Mileage	2.00	2.00	2.00	2.00	2.00	2.00
Examples:						
1 mile journey	3.80	3.80	3.80	3.80	3.80	3.80
2 mile journey	5.80	5.80	5.80	5.80	5.80	5.80
3 mile journey	7.80	7.80	7.80	7.80	7.80	7.80
4 mile journey	9.80	9.80	9.80	9.80	9.80	9.80
5 mile journey	11.80	11.80	11.80	11.80	11.80	11.80

**(B) Percentages**

Increase (%)	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%
Tariff 3 (NIGHT across Zones)						
T1 plus 50%						
Flagfall	4.30	4.30	4.30	4.30	4.30	4.40
Mileage	2.80	2.80	2.80	2.80	2.80	2.80
Examples:						
1 mile journey	5.00	5.00	5.00	5.00	5.00	5.10
2 mile journey	7.80	7.80	7.80	7.80	7.80	7.90
3 mile journey	10.60	10.60	10.60	10.60	10.60	10.70
4 mile journey	13.40	13.40	13.40	13.40	13.40	13.50
5 mile journey	16.20	16.20	16.20	16.20	16.20	16.30

Tariff 4 (Xmas, New Year)						
Double T1						
Flagfall	5.70	5.70	5.70	5.80	5.80	5.80
Mileage	3.70	3.70	3.70	3.70	3.70	3.80
Examples:						
1 mile journey	6.60	6.60	6.60	6.70	6.70	6.70
2 mile journey	10.30	10.30	10.30	10.40	10.40	10.50
3 mile journey	14.00	14.00	14.00	14.10	14.10	14.30
4 mile journey	17.70	17.70	17.70	17.80	17.80	18.10
5 mile journey	21.40	21.40	21.40	21.50	21.50	21.90

**Multipliers (for percentages)**

1.005	1.010	1.015	1.020	1.025	1.030
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0.10 Mileage Unit Charge (in Pounds) (MUC)  
(ALL TARIFFS)

**Tariff 1**

The MILEAGE charge is charged in 10p units.

0.1

How far (in yards) does 10p take the car?

A mile has these UNITS:

18.0

Each unit takes the car (yards):

97.8

A quarter mile is 440 yards, or

4.5 of these UNITS, which is rounded-up

5.0 units of 10p each (UNIT\_T1)

**Tariff 2**

The MILEAGE charge is charged in 10p units.

How far (in yards) does 10p take the car?

A mile has these UNITS:

19.0

Each unit takes the car (yards):

92.6

A quarter mile is 440 yards, or

4.8 of these UNITS, which is rounded-up

5.0 units of 10p each (UNIT\_T2)

**Tariff 3**

The MILEAGE charge is charged in 10p units.

How far (in yards) does 10p take the car?

A mile has these UNITS:

27.0

Each unit takes the car (yards):

65.2

A quarter mile is 440 yards, or

6.8 of these UNITS, which is rounded-up

7.0 units of 10p each (UNIT\_T3)

**Tariff 4**

The MILEAGE charge is charged in 10p units.

How far (in yards) does 10p take the car?

A mile has these UNITS:

36.0

Each unit takes the car (yards):

48.9

A quarter mile is 440 yards, or

9.0 of these UNITS, which is rounded-up

9.0 units of 10p each (UNIT\_T4)

**North Ayrshire Council**  
**Taxi Fare Scales Review (2019)**

**Inflation figures ("Consumer Price Index")**

	Index Name	START	END	Change
1	'ALL ITEMS'	104.9	106.8	1.8%
	CPI INDEX 00 (2015=100)			
	Series: D7BT			
	Release date: 20 March 2019			
2	'PURCHASE OF VEHICLES'	101.0	105.3	4.3%
	CPIH INDEX 07.1 (2015=100)			
	Series: L543			
	Release date: 20 March 2019			
3	'MAINTENANCE & REPAIRS'	105.2	108.8	3.4%
	CPI INDEX 07.2.3 : 2015=100			
	Series: D7ED			
	Release date: 20 March 2019			
4	'PETROL'	108.1	107.3	-0.7%
	CPI INDEX 07.2.2.2, 2015=100			
	Series ID: L7FP			
	Release date: 20 March 2019			
5	'DIESEL'	107.5	112.5	4.7%
	CPI INDEX 07.2.2.1, 2015=100			
	Series ID: L7FO			
	Release date: 20 March 2019			

**Notes:**

- 1 Source: 'Office for National Statistics' website (<https://www.ons.gov.uk>).
- 2 To help comparison, statistics for values changing over time are often given as an INDEX number, with the value when the figures were first recorded being set at 100. Later values can then be shown relative to 100, so that the change between TWO later times can be shown as a percentage.
- 3 The current Fare Scales took effect on 11 December 2017.
- 4 Indicators are published monthly, and the figures shown are:  
START - December 2017  
END - February 2019

## **Fare Card with effect from Monday 8th July 2019**

### **Tariff 1 (Day): (Tariff 5 if more than 4 passengers are carried)**

All journeys starting or ending in the period 7.00am – 12.00pm (midnight) (except where Tariffs 2 or 3 apply):

For a distance not exceeding  $\frac{3}{4}$  of a mile (or waiting time not exceeding 10mins). £2.90

Each additional  $\frac{1}{19}$  of a mile or additional waiting time of up to 20 seconds 10p

### **Tariff 2 (Nights, Sundays and during day across zones): (Tariff 6 if more than 4 passengers are carried)**

All journeys (except where Tariff 3 applies)

- Starting or ending in the period 12.00pm (midnight) to 7.00am, or
- Starting or ending at any time on Sundays, or
- Starting or ending at any time on the following Public Holidays:  
2 January, Good Friday, early May Bank Holiday, Spring Bank Holiday, Summer Bank Holiday,  
30 November (St Andrew's Day) 26 December (Boxing Day). If a Bank Holiday is on a weekend, the following Monday is treated for this Tariff as a Bank Holiday
- From the zone for which the vehicle is licensed to another zone in North Ayrshire – if the journey starts or ends in the period 7.00am to 12.00pm (midnight)
- On Christmas Eve and Hogmanay from 7.00pm until 12.00pm (midnight)

For a distance not exceeding  $\frac{3}{4}$  of a mile (or waiting time not exceeding 10mins). £3.30

Each additional  $\frac{1}{20}$  of a mile or additional waiting time of up to 20 seconds. 10p

### **Tariff 3 (during night across zones): (Tariff 7 if more than 4 passengers are carried)**

From the zone for which the vehicle is licensed to another zone in North Ayrshire – if the journey starts or ends in the period 12.00pm (midnight) to 7.00am

**Tariff 1 charges (Initial or Additional) plus 50%**

### **Tariff 4 (Festive Periods) (Tariff 8 if more than 4 passengers carried)**

All journeys starting or ending at any time on 25th December or 1st January

**Double Tariff 1 charges (Initial and Additional)**

### **Extra Charges**

If the vehicle starts by carrying more than 4 passengers, the fare is charged as Tariff 1 to 4 (as appropriate) but with 50% added (Tariffs 4 to 8). The higher tariff applies until the hire ends, whether or not any of the passengers leave the vehicle earlier.

Soiling Charge £50

## Notes

1. The fare scale applies to journeys which end **within** North Ayrshire. Fares for journeys beyond the Council area are not set by the Council. They should be agreed between the passenger and the driver **before** the start of the journey.
2. Luggage shall be carried **free** if it is of a size which can reasonably be accommodated in the car.
3. The metered charge is the **maximum** which can be charged. The driver can always charge less.
4. The Tariff 2 and 3 charge applies as soon as the journey starts, and it **does not change** if part of the journey is inside the Night Period, Sunday, Public Holiday, or zone and part outside.
5. The meter can **only** be started immediately before the vehicle moves off, and must be stopped when the vehicle arrives at its destination. The meter cannot be used while the vehicle is being loaded before moving off or being unloaded after the vehicle stops at its destination.
6. There is no extra charge for loading or unloading passengers with wheelchairs, assistance dogs or anything the passenger wants to have carried.